City of Brush, Colorado

Financial Statements

For the Year ended December 31, 2021

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INTRODUCTORY SECTION

July 21 2022,

To the Honorable Mayor, Members of the Governing Council, and Citizens of the City of Brush.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Lauer, Szabo & Associates, PC, Certified Public Accountants, have issued an unqualified ("clean") opinion on the City of Brush's financial statements for the year ended December 31, 2021. The independent auditors report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government

The City of Brush, incorporated in 1884, is located in northeastern Colorado, 90 miles from Denver. Brush is located in a large agricultural area and serves a population of 5,446. The City of Brush is empowered to levy a property tax on both real and personal property located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which the City has done from time to time, and to collect sales tax. The current sales tax rate is 4 percent.

The City of Brush operates under the council-administrator form of government. Policy-making and legislative authority are vested in a governing council (Council) consisting of the mayor and six other members, all elected on a non-partisan basis. The Council appoints the government's administrator, who in turn appoints the heads of the various departments. Council members serve four-year terms, with three members elected every two years. The mayor is elected for a four-year term and is elected at large; constituents of their wards elect the remaining Council members.

The City of Brush provides a full range of services, including police and fire protection; the construction and maintenance of streets and other infrastructure; and recreational and cultural activities. Water, trash, waste water, storm water, and golf course services are provided and functions as enterprise funds of the City of Brush and therefore has been included as an integral part of the City of Brush's financial statements. Additional information on all of these departments can be found in the notes to the financial statements (See Note 1.C).

The Council is required to adopt a final budget by no later than December 15th of each fiscal year. This annual budget serves as the foundation for the City of Brush's financial planning and control. The budget is prepared by fund, function (e.g., public safety), and department, (e.g., police).

Local economy

Brush! is nestled in the agriculturally rich South Platte River Valley. In 1886 a number of Danish families formed a settlement, attracted to the rich and loam soil. Today bountiful crops of corn, soy, sugar beets and wheat still prevail. Although Brush remains agriculturally based, ag support industries, energy production and health care have helped diversify and strengthen our economy. Major employers include Colorado Energy Management and the adjacent tomato factory linked by waste heat from the cogeneration plant, Colorado Lamb Processing, Eben Ezer and Sunset Manor care facilities, East Morgan County Hospital, the School District and City government. The population growth is at a manageable rate of 2-3%. The City continues to partner with developers to extend infrastructure conducive to designed growth.

City parks have expanded over the last few years with the addition of a golf course in 2015. The most recent updates to this golf course have been improvements to the clubhouse, parking lot and the 50-year old sprinkler system. In 2021 the City enhanced the pond on hole 9 and moved the storm water to other various ponds.

Of utmost concern is water. Future development is dependent upon ample and quality water. For water rights and augmentation purposes the City is seeking additional augmentation and water sources. The appointed Water Advisory Committee, utilizing the City's Raw Water Master Plan and Water Infrastructure Master Plan are essential in developing and managing Brush's most valuable natural resource. The City is also working on a feasibility study on a reverse osmosis system to treat other water sources for the City.

Skilled labor is readily available, especially due to the close proximity of Morgan Community College and Northeastern Junior College as well as the availability of long distance learning with Colorado universities.

Retail is not as prominent as the City of Brush would like as sales tax drives our General Fund. The 2020 sales tax revenues increased by $117,363 (6%) from the prior year. City sales tax for 2021 increased $295,871 (14%). Sales tax revenues have seen steady growth over the last five years and there are still signs of economic growth in other areas. In 2021 the increased sales tax could be attributed to the cost of inflation.

For several years now housing has been a concern to the City. In 2017 the City began to notice increased residential growth. That growth continued thru 2021. In 2021 there were 7 building permits issued for new houses.

Long-term financial planning

The Council has set a budgetary and planning policy guideline to have enough cash reserves set aside at the end of each fiscal year to cover three to six months of expenditures for emergency purposes. When possible the targeted cash reserves are six months.

In 2006, thru a joint effort between the Chamber of Commerce and the City of Brush, a ballot issue was passed to increase sales tax by .6% for future street improvements throughout the City. These funds go into the Capital Improvement Fund and are utilized for street related projects only.

The new sales tax increase went into effect January 1, 2007. Citizens witnessed numerous improvements to streets and money is being reserved for future street improvements.

The City continues to see rising cost in the purchase of fire trucks and other equipment for the fire department. In 2014 the City was able to pass a sales tax ballot issue specific to the fire department for the purchase of equipment and building improvements effective January 1, 2015.

Major initiatives

The City of Brush recognizes the need for additional water supplies and at the same time understands the value of water conservation. The City purchased additional water shares in 2020. In 2021 council approved a new resolution to increase water rates for 2021 by 10% and future increases for 2022, 2023 and 2024 will be 6%.

The City of Brush recognizes the possibility of new industrial users and the age of our waste water treatment plant. The City constantly monitors the available funds for future users and improvements. There is currently a resolution which increases the waste water rates by the Denver-Boulder CPI each year to help cover increasing costs of operations and future improvements.

Acknowledgements

The preparation of this report would not have been possible without the dedicated service of the finance department. Credit must also be given to the Mayor and the governing council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Brush's finances.

Respectfully submitted,

Monty Torres
City Administrator

Joanne Gosselink
Finance Officer

ELECTED OFFICIALS

WARD	CITY COUNCIL	EXPIRES
1	Alison Gorrell	January, 2024
1	Dana Sherman	January, 2022
2	Kevin Strauch	January, 2024
2	Dan Scalise	January, 2022
3	Justin Spradlin	January, 2024
3	Larry Lundstrom	January, 2022
At Large	Rick Bain – Mayor	January, 2022

APPOINTED OFFICIALS

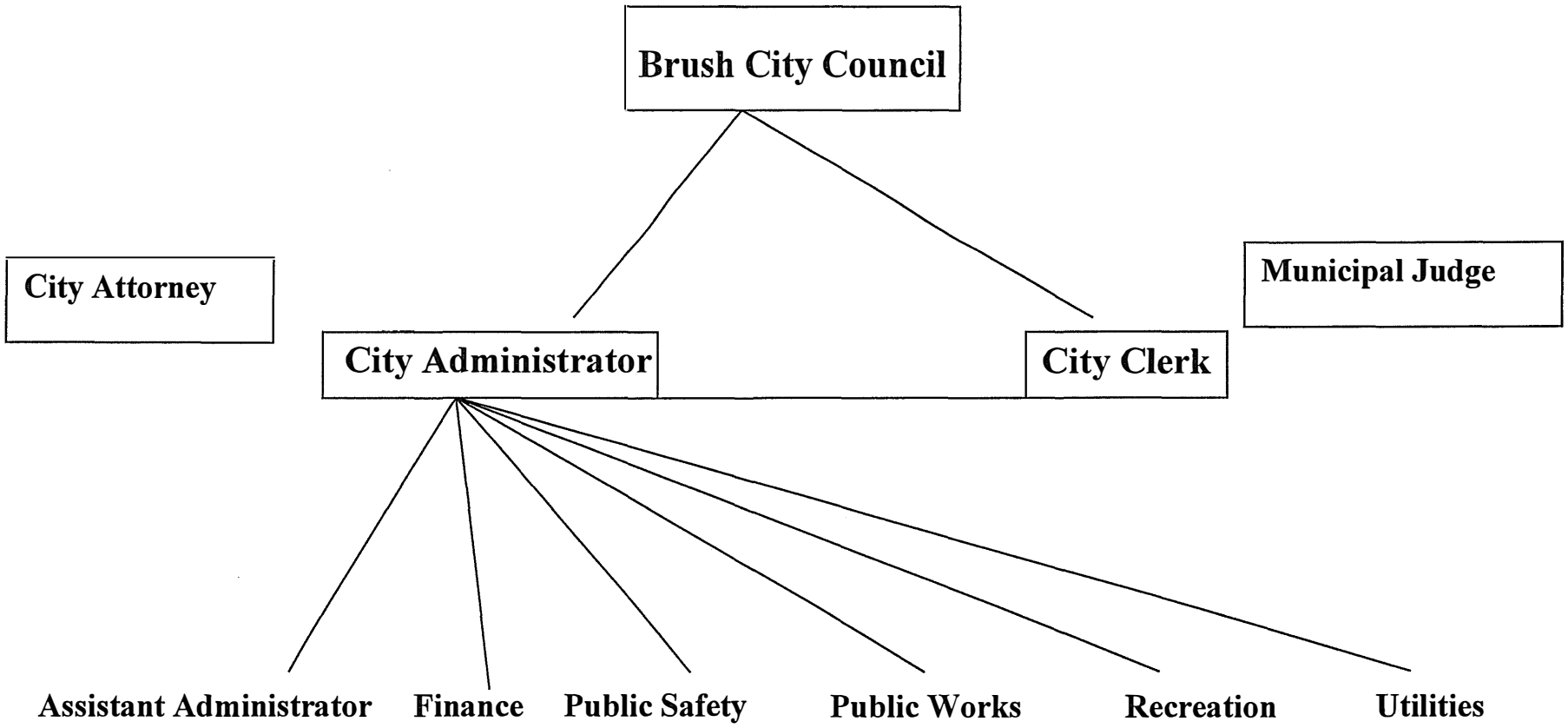
City Administrator	Monty Torres
City Clerk	Loranda Packard
City Attorney	Dan Krob
Municipal Judge	Steve Jones

DEPARTMENTAL OFFICIALS

Emergency Preparedness	Derek Bos
Assistant City Administrator	Rick Keuroglian
Finance Director	Joanne Gosselink
Fire Chief	Tad Anderson
Police Chief	Derek Bos
Recreation Director	Lance Schwindt
Public Works Director	Dale Colerick

Functional Organizational Chart

Citizens of Brush!



FINANCIAL SECTION

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LAUER, SZABO & ASSOCIATES, PC
Certified Public Accountants
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Phone 970-522-2218 · FAX 970-522-2220

Independent Auditors' Report

To the Honorable Mayor and Members of City Council
City of Brush
Brush, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Brush (the City) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing the audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and historical pension information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of

inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The other supplementary information and the local highway finance report listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information and the local highway finance report are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Lauer, Szabo & Associates, P.C.

Sterling, Colorado
July 27, 2022

Management's Discussion and Analysis

As management of the City of Brush, we offer readers of the City of Brush financial statements this narrative overview and analysis of the financial activities of the City of Brush for the fiscal year ended December 31, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 2-4 of this report. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- The assets of the City of Brush exceeded its liabilities at the close of the most recent fiscal year by $37,867,848. Of this amount, $8,348,797 may be used to meet the government's ongoing obligations to citizens and creditors.
- As of the close of the current fiscal year, the City of Brush's governmental funds reported combined ending fund balances of $6,897,956 a increase of $928,232 in comparison with the prior year. Of this amount $4,206,804 is available for spending at the government's discretion (unassigned, assigned and committed fund balance).
- At the end of the current fiscal year, unassigned fund balance for the general fund was $3,621,868 or 76 percent of total general fund expenditures.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City of Brush's basic financial statements. The City of Brush's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City of Brush's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the City of Brush assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Brush is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of Brush that are principally supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of the City of Brush include general government, public safety, streets, economic development, parks, and culture and recreation. The business-type activities of the City of Brush include water, trash and garbage, waste water, storm water operations and the golf course.

The government-wide financial statements have no component units reported in them. These financial statements can be found on pages 20-23 of this report.

Condensed financial statements for government wide statements are as follows:

City of Brush Net Position

	Governmental activities		Business-type activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Assets						
Current and other assets	9,105,691	6,987,140	4,976,020	4,644,189	14,081,711	11,631,329
Net pension asset						
Capital assets-net of accumulated depreciation	8,114,952	7,819,058	24,037,425	23,966,357	32,152,377	31,785,415
Total assets	17,220,643	14,806,198	29,013,445	28,610,546	46,234,088	43,416,744
Deferred outflow of resources						
Pension deferrals	346,849	342,759			346,849	342,759
Total assets and deferred outflows of resources	17,567,492	15,148,957	29,013,445	28,610,546	46,580,937	43,759,503
Liabilities						
Long-term liabilities outstanding	446,013	496,288	5,495,923	5,968,401	5,941,936	6,464,689
Other liabilities	778,959	70,635	765,124	738,754	1,544,083	809,389
Total liabilities	1,224,972	566,923	6,261,047	6,707,155	7,486,019	7,274,078
Deferred inflow of resources						
Pension deferrals	235,447	136,133			235,447	136,133
Deferred tax revenue	991,623	901,014			991,623	901,014
Total Deferred Inflows	1,227,070	1,037,147			1,227,070	1,037,147
Net position						
Net investment in capital assets	8,114,952	7,819,058	18,393,256	17,572,186	26,508,208	25,391,244
Restricted	2,738,267	2,352,472	272,576	270,929	3,010,843	2,623,401
Unrestricted	4,262,231	3,373,357	4,086,566	4,060,276	8,348,797	7,433,633
Total net position	15,115,450	13,544,887	22,752,398	21,903,391	37,867,848	35,448,278
Total liabilities, deferred outflows of resources & net position	17,567,492	15,148,957	29,013,445	28,610,546	46,580,937	43,759,503

City of Brush Changes in Net Position

	Governmental activities		Business-type activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Revenues						
Program revenues						
Charges for services	463,373	394,079	4,985,036	4,510,965	5,448,409	4,905,044
Capital grants	322,795	809,739	32,900		355,695	809,739
Operating grants	510,409	318,000	29,110	167,332	539,519	485,332
General Revenues						
Property taxes	889,299	785,013			889,299	785,013
Other	4,722,319	4,266,333	182,311	235,275	4,904,630	4,501,608
Total revenues	6,908,195	6,573,164	5,229,357	4,913,572	12,137,552	11,486,736
Program expenses						
General government	1,310,096	1,637,861			1,310,096	1,637,861
Public safety	1,644,352	1,487,861			1,644,352	1,487,861
Public works	1,149,428	1,247,760			1,149,428	1,247,760
Culture and recreation	954,265	910,230			954,265	910,230
Water			1,346,813	1,201,169	1,346,813	1,201,169
Trash and garbage			637,160	553,480	637,160	553,480
Waste water			1,482,592	1,763,033	1,482,592	1,763,033
Storm water			318,373	333,490	318,373	333,490
Golf course			874,903	676,846	874,903	676,846
Total expenses	5,058,141	5,283,712	4,659,841	4,528,018	9,717,982	9,811,730
Excess (deficiency) before transfers	1,850,054	1,289,452	569,516	385,554	2,419,570	1,675,006
Transfers	(279,491)	(307,566)	279,491	307,566		
Change in net position	1,570,563	981,886	849,007	693,120	2,419,570	1,675,006
Net position – beginning of year	13,544,887	12,563,001	21,903,391	21,210,271	35,448,278	33,773,272
Net position – ending	15,115,450	13,544,887	22,752,398	21,903,391	37,867,848	35,448,278

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Brush, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Brush can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Brush maintains nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund and grant fund, which are considered to be the City's only major funds. Data from the other seven governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Brush adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided on pages 90-98 for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 24-27 of this report.

Proprietary funds. The City of Brush maintains five enterprise funds classified as proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Brush uses enterprise funds to account for its Water, Trash and Garbage, Waste Water, Storm Water, and Golf Course operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water, Trash and Garbage, Waste Water, Storm Water and Golf Course operations, all of which are considered to be major funds of the City of Brush.

The basic proprietary fund financial statements can be found on pages 28-39 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 40-72 of the report. Notes to the required supplementary information can be found on pages 84-85.

Other information. Included in the basic financial statements and accompanying notes, this report presents information concerning the City of Brush's progress in funding its obligation to provide pension benefits to its employees. The information can be found in note 9 on pages 56-68 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the general fund supplemental information. Combining and individual nonmajor fund statements and schedules can be found on pages 100-110 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Brush, assets exceeded liabilities by $37,867,848 at the close of 2021.

Capital assets reflect 70 percent of the City of Brush's total assets (e.g., land, buildings, machinery, and equipment). The City of Brush uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Brush's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Eight percent of the City of Brush's net position represent resources that are subject to external restrictions on how they may be used. There is $8,348,797 of unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City of Brush is able to report positive balances in all categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

Governmental activities. Governmental activities increased the City of Brush's net position by $1,570,563, thereby accounting for 65 percent of the total growth in the net position of the City of Brush.

Business-type activities. Business-type activities increased the City of Brush's net position by $849,007. The increase to net position is 35 percent of the increase.

Financial Analysis of the Government's Funds

As noted earlier the City of Brush uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City of Brush's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Brush's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City of Brush's governmental funds reported combined ending fund balances of $6,897,956 a increase of $928,232 in comparison with the prior year. Approximately 53 percent of this total amount ($3,621,868) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is reserved or designated to indicate that it is not available for new spending because it has already been committed for a variety of restricted purposes.

The general fund is the chief operating fund of the City of Brush. At the end of the current fiscal year, unassigned fund balance of the general fund was $3,621,868, while total fund balance reached $4,235,096. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 75 percent of total general fund expenditures, while total fund balance represents 88 percent of that same amount.

Proprietary funds. The City of Brush's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the enterprise funds at the end of the year amounted to $4,086,566. The total growth in net position for the Water, Trash and Garbage, Waste Water, Storm Water, and Golf Course funds was $429,806, $(51,135), $405,088 $44,580, and $20,668, respectively. Other factors concerning the finances of these funds have already been addressed in the discussion of the City of Brush's business-type activities.

General Fund Budgetary Highlights

During the year actual revenues were more than budgeted revenues by $808,260 of which $501,283 can be attributed to taxes. During the year actual expenditures were less than budgeted expenditures by $465,043. The savings is attributed to administration, public works and recreation.

Capital Assets and Debt Administration

Capital assets. The City of Brush's investments in capital assets for its governmental and business-type activities as of December 31, 2021, amounts to $32,152,377 (net of accumulated depreciation). This investment in capital assets includes land, buildings and systems, improvements, machinery and equipment, park facilities, and streets.

Major capital asset events during the current fiscal year included fire department equipment and street improvements.

Additional information on the City of Brush's capital assets can be found in note 4 on pages 51-52 of this report.

Long-term debt. At the end of the current fiscal year, the City of Brush will have total bonded debt outstanding of $5,185,000. This debt is paid with waste water revenues.

There was $465,000 in principal paid on the waste water treatment plant loan which was secured through the Colorado Water & Power Authority.

The City also has a capital lease obligation payable with a remaining balance owed of $571,301 at year end. The lease proceeds were used to finance a new sprinkler system for the golf course.

Additional information on the City of Brush's long-term debt can be found in notes 5, and 6 on page 52-55 of this report.

Economic Factors and Next Year's Budget and Rates.

The City of Brush continues to see growth in the business area. There was a 14 percent increase in sales tax for 2021, with a slight increase projected for 2022. In 2021 property taxes for the City of Brush increased by 14 percent.

During the current fiscal year, unassigned fund balance in the general fund increased by $491,135. The City of Brush has appropriated $973,905 of fund balances for spending in the 2022 fiscal year budget. It is intended that this use of available fund balance will avoid the need to raise taxes or charges during the 2022 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the City of Brush's finances for all those with interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, 600 Edison St., City of Brush, Brush, CO 80723.

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Basic Financial Statements

The basic financial statements of the City include the following:

Government-wide financial statements. The government-wide statements display information about the reporting government as a whole.

Fund financial statements. The fund financial statements display information about major funds individually and nonmajor funds in the aggregate for governmental and proprietary funds.

Notes to the financial statements. The notes communicate information essential for fair presentation of the financial statements that is not displayed on the face of the financial statements. As such, the notes are an integral part of the basic financial statements.

CITY OF BRUSH, COLORADO
Statement of Net Position
December 31, 2021

	Governmental Activities	Business-type Activities	Total
Assets			
Cash	$ 2,715,313	$ 715,449	$ 3,430,762
Certificates of deposit	3,845,580	2,960,000	6,805,580
Investments	214,106	855,982	1,070,088
Cash with county treasurer	7,851		7,851
Receivables	1,655,032	455,125	2,110,157
Internal balances	126,209	(126,209)	-
Inventory	58,440	96,555	154,995
Prepaid expenses	331,598	19,118	350,716
Net pension asset	151,562		151,562
Capital assets, net of depreciation	8,114,952	24,037,425	32,152,377
Total assets	17,220,643	29,013,445	46,234,088
Deferred outflows of resources			
Pension deferrals	346,849		346,849
Total assets and deferred outflows of resources	$ 17,567,492	$ 29,013,445	$ 46,580,937
Liabilities			
Accounts payable	$ 87,759	$ 103,698	$ 191,457
Police bond account	10,042		10,042
Unearned revenues		57,600	57,600
Unearned grant revenues	681,158		681,158
Accrued interest payable		57,059	57,059
Noncurrent liabilities			
Due within one year		546,767	546,767
Due in more than one year	180,580	5,495,923	5,676,503
Net pension liability	265,433		265,433
Total liabilities	1,224,972	6,261,047	7,486,019
Deferred inflows of resources			
Deferred property tax revenues	991,623		991,623
Pension deferrals	235,447		235,447
Total deferred inflows of resources	1,227,070	-	1,227,070
Net position			
Net investment in capital assets	8,114,952	18,393,256	26,508,208
Restricted	2,738,267	272,576	3,010,843
Unrestricted	4,262,231	4,086,566	8,348,797
Total net position	15,115,450	22,752,398	37,867,848
Total liabilities, deferred inflows of resources and net position	$ 17,567,492	$ 29,013,445	$ 46,580,937

The accompanying notes are an integral part of these financial statements.

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CITY OF BRUSH, COLORADO
Statement of Activities
For the Year Ended December 31, 2021

		Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
General government	$ 1,310,096	$ 181,677	$ 54,884	
Public safety	1,644,352	30,579	15,003	$ 142,795
Public works	1,149,428		373,737	
Culture and recreation	954,265	251,117	66,785	180,000
Total governmental activities	5,058,141	463,373	510,409	322,795
Business-type activities				
Water	1,346,813	1,658,909	29,110	14,100
Trash and garbage	637,160	597,616		
Waste Water	1,482,592	1,857,263		18,800
Storm water	318,373	315,492		
Golf course	874,903	555,756		
Total business-type activities	4,659,841	4,985,036	29,110	32,900
Total	$ 9,717,982	$ 5,448,409	$ 539,519	$ 355,695
General revenues and transfers				
Taxes				
Property taxes, levied for general purposes				
Sales and use taxes				
Specific ownership taxes				
Franchise taxes				
Cigarette taxes				
Unrestricted interest on investments				
Miscellaneous				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position at beginning of year				
Net position at end of year				

The accompanying notes are an integral part of these financial statements.

Net (Expenses) Revenues and Changes in Net Position		
Governmental Activities	Business-type Activities	Total
$ (1,073,535)		$ (1,073,535)
(1,455,975)		(1,455,975)
(775,691)		(775,691)
(456,363)		(456,363)
(3,761,564)	$ -	(3,761,564)
	355,306	355,306
	(39,544)	(39,544)
	393,471	393,471
	(2,881)	(2,881)
	(319,147)	(319,147)
-	387,205	387,205
(3,761,564)	387,205	(3,374,359)
889,299		889,299
3,323,467		3,323,467
98,064		98,064
304,522		304,522
6,066		6,066
14,630	13,327	27,957
975,570	168,984	1,144,554
(279,491)	279,491	-
5,332,127	461,802	5,793,929
1,570,563	849,007	2,419,570
13,544,887	21,903,391	35,448,278
$ 15,115,450	$ 22,752,398	$ 37,867,848

CITY OF BRUSH, COLORADO
Balance Sheet
Governmental Funds
December 31, 2021

	General Fund	Grant Fund	Other Governmental Funds	Total
Assets				
Cash	$ 1,224,200	$ 675,961	$ 805,110	$ 2,705,271
Certificates of deposit	2,235,580		1,610,000	3,845,580
Investments	107,053		107,053	214,106
Police bond cash	10,042			10,042
Cash with county treasurer	7,851			7,851
Accrued interest receivable	2,294		1,705	3,999
Property tax receivable	983,169		67,065	1,050,234
Accounts receivable	453,350		135,249	588,599
Grants receivable		12,200		12,200
Due from other funds	133,212	6,209	7,984	147,405
Inventory	58,440			58,440
Prepaid expenses	46,007			46,007
Total assets	$ 5,261,198	$ 694,370	$ 2,734,166	$ 8,689,734
Liabilities				
Accounts payable	$ 87,434			$ 87,434
Police bond account	10,042			10,042
Due to other funds		$ 13,212	$ 7,984	21,196
Due to other agencies	325			325
Unearned grant revenue		681,158		681,158
Total liabilities	97,801	694,370	7,984	800,155
Deferred inflows of resources				
Deferred property tax revenues	928,301		63,322	991,623
Total deferred inflows of resources	928,301	-	63,322	991,623
Fund balance				
Nonspendable	104,447			104,447
Restricted	84,177		2,502,528	2,586,705
Committed	13,530		160,332	173,862
Assigned	411,074			411,074
Unassigned	3,621,868			3,621,868
Total fund balance	4,235,096	-	2,662,860	6,897,956
Total liabilities, deferred inflows of resources and fund balance	$ 5,261,198	$ 694,370	$ 2,734,166	$ 8,689,734

The accompanying notes are an integral part of these financial statements.

CITY OF BRUSH, COLORADO
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
December 31, 2021

Amounts reported for governmental activities in the statement of net position are different because:	
Total fund balance - governmental funds	$ 6,897,956
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in the governmental funds.	8,114,952
Some expenditures in the governmental funds relate to next fiscal year and therefore are treated as prepaid expenses in the governmental activities.	285,591
Net pension assets and related deferred outflows of resources are not financial resources and therefore are not reported as assets in governmental funds.	498,411
Long-term liabilities and related deferred inflows of resources are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(681,460)
Net position of the governmental activities	$ 15,115,450

The accompanying notes are an integral part of these financial statements.

CITY OF BRUSH, COLORADO
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2021

	General Fund	Grant Fund	Other Governmental Funds	Total
Revenues				
Taxes	$ 3,727,493		$ 893,925	$ 4,621,418
Licenses and permits	110,889			110,889
Intergovernmental	416,109	$ 47,589	83,505	547,203
Fines and forfeitures	25,076			25,076
Charges for services	236,787		142,796	379,583
Miscellaneous	962,496		261,530	1,224,026
Total revenues	5,478,850	47,589	1,381,756	6,908,195
Expenditures				
Current				
General government	1,218,103	36,586		1,254,689
Public safety	1,455,799	11,003	5,521	1,472,323
Public works	902,472		3,100	905,572
Culture and recreation	838,990		28,432	867,422
Capital outlay	388,823		994,679	1,383,502
Total expenditures	4,804,187	47,589	1,031,732	5,883,508
Excess of revenues over (under) expenditures	674,663	-	350,024	1,024,687
Other financing sources (uses)				
Transfers in	77,500			77,500
Transfers out	(173,915)		(40)	(173,955)
Total other financing sources (uses)	(96,415)	-	(40)	(96,455)
Net change in fund balances	578,248	-	349,984	928,232
Fund balance at beginning of year	3,656,848		2,312,876	5,969,724
Fund balance at end of year	$ 4,235,096	$ -	$ 2,662,860	$ 6,897,956

The accompanying notes are an integral part of these financial statements.

CITY OF BRUSH, COLORADO
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2021

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balance - governmental funds	$	928,232
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities, those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This is the amount by which capital outlays exceeded depreciation in the current period.		295,894
In the statement of activities, certain operating expenses are measured by amounts incurred or earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used.		315,548
Pension expense at the fund level represents cash contributions to the defined benefit plan. For the activity level presentation, the amount represents the actuarial cost of the benefits for the fiscal year.		30,889
Change in net position of governmental activities	$	1,570,563

The accompanying notes are an integral part of these financial statements.

CITY OF BRUSH, COLORADO
Statement of Net Position
Proprietary Funds
December 31, 2021

	Business-type Activities - Enterprise Funds			
	Water Fund	Trash and Garbage Fund	Waste Water Fund	Storm Water Fund
Assets				
Current assets				
Cash	$ 352,346	$ 146,350	$ 99,145	$ 58,100
Certificates of deposit	1,380,000	50,000	1,200,000	330,000
Investments	213,923		535,006	107,053
Accrued interest receivable	1,726	44	3,446	584
Accounts receivable	408,375			
Grants receivable	29,110			
Other receivables	7,959	1,511	1,335	
Inventory	41,967	27,212		
Prepaid expenses	7,614	5,157	4,665	841
Total current assets	2,443,020	230,274	1,843,597	496,578
Noncurrent assets				
Property, plant and equipment				
Land and improvements	1,143,512	1,475	652,537	
Building and improvements	441,708	85,117		
Water system	8,254,222			
Waste water plant and sewer system			14,443,756	
Equipment	825,712	473,931	579,991	3,500,670
Office equipment	127,286			
Water rights stock	1,550,514			
Subtotal	12,342,954	560,523	15,676,284	3,500,670
Accumulated depreciation	(5,062,615)	(265,394)	(3,684,707)	(934,858)
Total noncurrent assets	7,280,339	295,129	11,991,577	2,565,812
Total assets	$ 9,723,359	$ 525,403	$ 13,835,174	$ 3,062,390

The accompanying notes are an integral part of these financial statements.

Golf Course Fund	Total
$ 59,508	$ 715,449
	2,960,000
	855,982
	5,800
	408,375
	29,110
1,035	11,840
27,376	96,555
841	19,118
88,760	5,102,229
1,267,862	3,065,386
685,724	1,212,549
	8,254,222
	14,443,756
373,373	5,753,677
	127,286
	1,550,514
2,326,959	34,407,390
(422,391)	(10,369,965)
1,904,568	24,037,425
$ 1,993,328	$ 29,139,654

(continued)

CITY OF BRUSH, COLORADO
Statement of Net Position
Proprietary Funds
December 31, 2021

(continued)

	Business-type Activities - Enterprise Funds			
	Water Fund	Trash and Garbage Fund	Waste Water Fund	Storm Water Fund
Liabilities				
Current liabilities				
Accounts payable	$ 15,546	$ 42,807	$ 25,038	$ 806
Due to other funds				
Due to other entity			1,820	
Sales tax payable				
Unearned lease revenues	57,600			
Accrued interest payable			47,258	
Current portion of note payable			475,000	
Current portion of lease obligation				
Total current liabilities	73,146	42,807	549,116	806
Long-term liabilities				
Accrued compensated absences	49,115	29,290	8,332	7,467
Note payable			4,897,868	
Lease obligations				
Total long-term liabilities	49,115	29,290	4,906,200	7,467
Total liabilities	122,261	72,097	5,455,316	8,273
Net position				
Net investment in capital assets	7,280,339	295,129	6,618,709	2,565,812
Restricted for debt service			272,576	
Unrestricted (deficit)	2,320,759	158,177	1,488,573	488,305
Total net position	9,601,098	453,306	8,379,858	3,054,117
Total liabilities and net position	$ 9,723,359	$ 525,403	$ 13,835,174	$ 3,062,390

The accompanying notes are an integral part of these financial statements.

Golf Course Fund	Total
$ 14,647	$ 98,844
126,209	126,209
	1,820
3,034	3,034
	57,600
9,801	57,059
	475,000
71,767	71,767
225,458	891,333
4,317	98,521
	4,897,868
499,534	499,534
503,851	5,495,923
729,309	6,387,256
1,633,267	18,393,256
	272,576
(369,248)	4,086,566
1,264,019	22,752,398
$ 1,993,328	$ 29,139,654

CITY OF BRUSH, COLORADO
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2021

	Business-type Activities - Enterprise Funds			
	Water Fund	Trash and Garbage Fund	Waste Water Fund	Storm Water Fund
Operating revenues				
Charges for services	$ 1,658,909	$ 597,616	$ 1,857,263	$ 315,492
Operating expenses				
Salaries	350,175	170,567	155,928	41,817
Employee benefits	130,913	103,060	77,569	20,851
Supplies	21,678	7,931	28,240	2,130
Professional services	332,897	109,445	421,906	40,794
Telephone	4,184	1,124	2,497	649
Lab fees	5,643			
Medical	2,797	873	875	165
Utilities	66,131	4,080	92,172	
Association dues	400			
Travel and training	4,739	5	3,424	8
Computer and radio maintenance	10,642	4,268	7,877	4,198
Advertising	1,760	493		
Building maintenance	5,631	773	824	
Licenses and permits	39,862		19,963	
Insurance - general	31,105	1,867	61,941	11,806
Well electricity	13,925			
System maintenance & materials	81,582		158,950	30,341
Purchase of trash containers		11,116		
Landfill contract		109,526		
Fuel and oil	6,933	20,297	5,270	7,209
Repairs & maintenance - vehicle	2,640	22,452	1,223	11,756
Miscellaneous				
Ground maintenance				
Restaurant				
Bar				
Cart repairs and rental				
Noncapital outlay	18,824	24,875	15,235	
Depreciation and amortization	213,667	44,408	334,499	146,649
Total operating expenses	1,346,128	637,160	1,388,393	318,373
Operating income (loss)	312,781	(39,544)	468,870	(2,881)

The accompanying notes are an integral part of these financial statements.

Golf Course Fund	Total
$ 555,756	$ 4,985,036
304,820	1,023,307
50,799	383,192
1,183	61,162
20,476	925,518
3,993	12,447
	5,643
	4,710
33,371	195,754
	400
50	8,226
2,877	29,862
464	2,717
1,395	8,623
225	60,050
8,116	114,835
	13,925
	270,873
	11,116
	109,526
5,361	45,070
8,419	46,490
7	7
65,412	65,412
131,368	131,368
55,855	55,855
60	60
2,329	61,263
129,487	868,710
826,067	4,516,121
(270,311)	468,915

(continued)

CITY OF BRUSH, COLORADO
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2021

(continued)

	Business-type Activities - Enterprise Funds			
	Water Fund	Trash and Garbage Fund	Waste Water Fund	Storm Water Fund
Nonoperating revenues (expenses)				
Interest on investments	6,483	244	5,425	1,127
Plant investment fee	16,718			
Surcharge fee	29,460		6,955	
Farm income	26,097		27,887	
Rental income	400		4,400	
DOW lease	1,440		3,360	
Water rights	7,740			
Easement	4,391			
Convenience fee	6,766			
Grant income	29,110			
Farm expense	(685)		(8,061)	
Golf course income				
Golf course expense				
Interest and fiscal charges			(86,138)	
Total nonoperating revenues (expenses)	127,920	244	(46,172)	1,127
Income (loss) before transfers and capital contributions	440,701	(39,300)	422,698	(1,754)
Capital contributions	14,100		18,800	50,554
Transfers in				
Transfers out	(24,995)	(11,835)	(36,410)	(4,220)
Change in net position	429,806	(51,135)	405,088	44,580
Net position at beginning of year	9,171,292	504,441	7,974,770	3,009,537
Net position at end of year	$ 9,601,098	$ 453,306	$ 8,379,858	$ 3,054,117

The accompanying notes are an integral part of these financial statements.

Golf Course Fund	Total
48	13,327
	16,718
	36,415
	53,984
	4,800
	4,800
	7,740
	4,391
	6,766
	29,110
	(8,746)
33,370	33,370
(22,847)	(22,847)
(25,989)	(112,127)
(15,418)	67,701
(285,729)	536,616
132,482	215,936
173,915	173,915
	(77,460)
20,668	849,007
1,243,351	21,903,391
$ 1,264,019	$ 22,752,398

CITY OF BRUSH, COLORADO
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2021

	Business-type Activities - Enterprise Funds			
	Water Fund	Trash and Garbage Fund	Waste Water Fund	Storm Water Fund
Cash flows from operating activities				
Receipts from customers	$ 1,654,298	$ 597,801	$ 1,856,971	$ 315,492
Internal activity				
Payments to suppliers	(770,603)	(409,571)	(929,082)	(130,480)
Payments to employees	(342,769)	(170,196)	(155,537)	(43,129)
Net cash provided (used) by operating activities	540,926	18,034	772,352	141,883
Cash flows from noncapital financing activities				
Miscellaneous revenues	29,460		6,955	
Transfers in				
Transfers out	(24,995)	(11,835)	(36,410)	(4,220)
Net cash provided (used) by noncapital financing activities	4,465	(11,835)	(29,455)	(4,220)
Cash flows from capital and related financing activities				
Purchase of capital assets	(281,394)		(31,367)	(339,474)
Capital contributed from tap fees	14,100		18,800	
Plant investment fees	16,718			
Principal paid on capital debt			(465,000)	
Interest and fiscal charges			(124,733)	
Net cash used by capital and related financing activities	(250,576)	-	(602,300)	(339,474)
Cash flows from investing activities				
Golf course income/(loss)				
Farm income/(loss) - net	25,412		19,826	
Rental and easement income	17,137		7,760	
Interest on investments	11,989	334	5,400	1,215
Sale of investments	1,280,000	50,000	600,000	480,000
Purchase of investments	(1,430,000)	(50,000)	(800,000)	(330,000)
Net cash provided (used) by investing activities	(95,462)	334	(167,014)	151,215

The accompanying notes are an integral part of these financial statements.

Golf Course Fund	Total
$ 555,756	$ 4,980,318
6,209	6,209
(393,231)	(2,632,967)
(302,123)	(1,013,754)
(133,389)	1,339,806
	36,415
173,915	173,915
	(77,460)
173,915	132,870
	(652,235)
	32,900
	16,718
(70,403)	(535,403)
(26,341)	(151,074)
(96,744)	(1,289,094)
10,523	10,523
	45,238
	24,897
48	18,986
	2,410,000
	(2,610,000)
10,571	(100,356)

(continued)

CITY OF BRUSH, COLORADO
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2021

(continued)

	Business-type Activities - Enterprise Funds			
	Water Fund	Trash and Garbage Fund	Waste Water Fund	Storm Water Fund
Net change in cash and cash equivalents	199,353	6,533	(26,417)	(50,596)
Cash and cash equivalents at beginning of year	152,993	139,817	125,562	108,696
Cash and cash equivalents at end of year	$ 352,346	$ 146,350	$ 99,145	$ 58,100
Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Operating income (loss)	$ 312,781	$ (39,544)	$ 468,870	$ (2,881)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Depreciation	213,667	44,408	334,499	146,649
Change in assets and liabilities				
Receivables	(4,611)	185	(292)	
Inventory	12,161	(13,013)		
Prepaid expenses	(7,614)	(5,157)	(4,665)	(841)
Accounts payable	7,136	30,784	(27,127)	268
Due to other funds				
Other liabilities			676	
Accrued compensated absences	7,406	371	391	(1,312)
Net cash provided (used) by operating activities	$ 540,926	$ 18,034	$ 772,352	$ 141,883
Noncash capital financing activities				
Capital assets contributed from other funds	$ -	$ -	$ -	$ 50,554

The accompanying notes are an integral part of these financial statements.

Golf Course Fund	Total
(45,647)	83,226
105,155	632,223
$ 59,508	$ 715,449
$ (270,311)	$ 468,915
129,487	868,710
	(4,718)
(6,675)	(7,527)
(841)	(19,118)
5,300	16,361
6,209	6,209
745	1,421
2,697	9,553
$ (133,389)	$ 1,339,806
$ 132,482	$ 183,036

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Brush, Colorado have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following summary of significant accounting policies is presented to assist the reader in evaluating the City's financial statements.

A. Reporting Entity

As required by generally accepted accounting principles, these financial statements should present the City of Brush, Colorado (the primary government) and its component units. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable, or other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the City's financial statements to be misleading or incomplete. Based on the foregoing criteria, the City has no component units.

B. Basic Financial Statements

Basic financial statements are presented at both the government-wide and fund financial level. Both levels of statements categorize primary activities as either governmental or business-type. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

Government-wide financial statements report information about the reporting government as a whole, excluding fiduciary funds. For the most part, the effect of interfund activity has been removed from these statements. These statements focus on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the year. These aggregated statements consist of the Statement of Net Position and the Statement of Activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or business-type activities are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or business-type activity. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or business-type activity and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or business type activity. Taxes and other items not included among program revenues are reported instead as general revenues.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basic Financial Statements (continued)

Fund financial statements report information at the individual fund level. Each fund is considered to be a separate accounting entity. Funds are classified as governmental, proprietary, and fiduciary. The City does not have any fiduciary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Nonmajor funds are consolidated into a single column in the financial section of the basic financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. The City has collected nearly 100% of all property taxes at December 31. Grants and similar items are recognized as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days after year end. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

Unearned revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues also arise when resources are received by the City before it has a legal claim to them, as when grant monies are received prior to meeting eligibility requirements. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for unearned revenue is removed and the revenue is recognized.

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

General Fund

This is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be reported in another fund.

Grant Fund

This fund was established to account for the activity of federal and state grants.

Additionally, the City reports the following nonmajor funds:

Special Surplus and Deficiency Fund

This fund presently accounts for the emergency reserves required under the Tabor amendment.

Conservation Trust Fund

This fund was established by the City to provide for an accounting of those funds received through the State of Colorado Lottery Fund Program. The State requires that these funds be expended in the areas of parks and recreation development.

Police Forfeiture and Confiscation Fund

This fund is used to account for monies collected from the sale of evidence seized by the Police department.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

Capital Improvement Fund

This fund accounts for capital outlay acquisitions of the governmental fund types.

Fire Equipment Improvement Fund

This fund accounts for the acquisition of fire equipment and building improvements.

Joslin-Needham Fund

This fund is established to provide for separate accountability of monies contributed to the City by the Joslin-Needham Family Foundation earmarked for particular projects.

Cemetery Perpetual Care Fund

This fund is established to accumulate funds for the perpetual care and maintenance of the City's cemetery grounds. Current Council resolutions also allow capital purchases in this fund.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues and expenses of the City's enterprise funds are charges to customers for sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The City reports the following major proprietary funds:

Water Fund

This fund was established to account for the operation of a City-owned and operated public water system.

Waste Water Fund

This fund was established to account for the operation of a City-owned and operated public sewer system.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

Trash and Garbage Fund

This fund was established to provide for separate accountability of fees derived from the City-operated public trash system.

Storm Water Fund

This fund was established to provide for separate accountability of fees derived for the use of street and storm sewer cleaning.

Golf Course Fund

This fund was established to account for the operations of a City-owned and operated public golf course.

D. Budgets

Annually appropriated budgets were adopted for all funds. Budgets are adopted on a basis consistent with generally accepted accounting principles except for depreciation, debt service, and capital outlay. All governmental funds and proprietary funds are budgeted on the modified accrual basis of accounting. All appropriations lapse at year end. In the budget versus actual statements, the actual results of operations are presented on the budgetary basis of accounting for proper comparison to the budget.

Colorado statutes provide the following timetable which is followed in the adoption of the budgets:

(1) Submission of the proposed budget to the local governing body by October 15 of each year.

(2) Certification of mill levies to the Board of County Commissioners by December 15.

(3) Final adoption of budget and appropriations by December 31 of each year.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Budgets (continued)

(4) Property taxes are due by April 30 of each year if paid in full, or in two installments due February 28 and June 15 of each year.

(5) Liens are placed on property for which taxes are delinquent in November of each year.

The actual results of operations are presented in accordance with generally accepted accounting principles, which differ in certain respects from those practices used in the preparation of the 2021 budget (Note 8). For purposes of preparing the budgetary comparison schedules, the actual results of operations have been adjusted to a basis consistent with the City's budgeted revenues and expenditures.

E. Cash and Cash Equivalents

For purposes of the statement of cash flows, the enterprise funds consider cash on hand, demand deposits, and short-term investments with an original maturity of three months or less to be cash and cash equivalents (Note 2).

F. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. Short-term interfund loans are classified as "due to/from other funds." All short-term interfund receivables and payables at year end are planned to be eliminated in the subsequent year. Long-term interfund loans are classified as "interfund note receivable/payable." Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

G. Inventories

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when purchased.

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond year end are recorded as prepaid items for enterprise funds.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. Encumbrances

The City does not utilize encumbrance accounting.

J. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, sidewalks, street lights, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial cost of more than $5,000 and an estimated useful life in excess of five years. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at estimated fair market value as of the date of the donation.

The costs of normal maintenance and repairs that do not add to the value or capacity of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Depreciation on exhaustible assets is recorded as an allocated expense in the Statement of Activities with accumulated depreciation reflected in the Statements of Net Assets. A composite depreciation rate is used for infrastructure assets. Depreciation on the remaining capital assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	25-50 years
Improvements Other than Buildings	15-50 years
Water Distribution System	10-50 years
Sewer Collection System	10-50 years
Machinery and Equipment	5-20 years
Vehicles	5-15 years
Infrastructure	20-80 years

K. Compensated Absences

Accumulated vacation leave is reported as a liability for all leave related to past employee service for which payment to the employee is considered probable. Vested vacation and sick pay benefits are accrued when incurred. A liability for unused sick leave benefits is accrued only if the employees are eligible or it is probable that the employee will be compensated for the benefits through cash payments upon termination or retirement. The sick leave liability is estimated based on the City's assumptions concerning the probability for making payments for sick leave and its vested payment policy (vesting method).

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K. Compensated Absences (continued)

Accumulated vacation leave and payments for sick leave that are expected to be liquidated with expendable available financial resources are reported as an expenditure and a fund liability of the governmental fund that will pay the benefit. Accumulated vacation leave and sick leave termination payments for proprietary fund types are recorded as fund liabilities.

L. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statements of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance cost, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

M. Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditure/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers (Note 12).

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

N. Net Position

Net Position comprises the various net earnings from operating income, nonoperating revenues and expenses, and capital contributions. Net position is classified in the following three components:

Net investment in capital assets – This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Restricted – This component of net position consists of constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted – This component of net position consists of net position that do not meet the definition of "restricted" or "net investment in capital assets."

If both restricted and unrestricted resources are available to use for the same purpose, it is the City's policy to use restricted resources first, and then unrestricted resources as they are needed.

O. Fund Balance Classifications

The Governmental Accounting Standards Board (GASB) has issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes.

GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories listed below.

Nonspendable, such as fund balance associated with inventories, prepaid expenditures, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed or assigned),

Restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

O. Fund Balance Classifications (continued)

Committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the city council (the City's highest level of decision-making authority),

Assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed, and

Unassigned fund balance is the residual classification for the City's general fund and includes all spendable amounts not contained in the other classifications.

Committed fund balance is established by a formal passage of a resolution. This is typically done through the adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund. Assigned fund balance is established by the city council through adoption or amendment of the budget as intended for specific purpose (such as purchase of fixed assets, construction, debt service or for other purposes).

When both restricted and unrestricted resources are available in governmental funds, the City applies expenditures against restricted fund balance first, and followed by committed fund balance, assigned fund balance and unassigned fund balance.

P. Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates that affect amounts reported in the financial statements during the reporting period. Actual results could differ from such estimates.

Note 2: DEPOSITS AND INVESTMENTS

Cash and Deposits

Colorado State statutes govern the City's deposit of cash. The Public Deposit Protection Acts (PDPA) for banks and savings and loans require state regulators to certify eligible depositories for public deposits. The PDPA require eligible depositories with public deposits in excess of federal insurance levels to create a single institution collateral pool of defined eligible assets. Eligible collateral includes obligations of the Unites States, obligations of the State of Colorado or Colorado local governments and obligations secured by first lien mortgages on real property located in the state. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group and not held in any individual government's name. The fair value of the assets in the pool must be at least equal to 102% of the aggregate uninsured deposits.

Note 2: DEPOSITS AND INVESTMENTS (continued)

Custodial Credit Risk – Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits might not be returned to it. The City does not have deposit policy for custodial credit risk. As of year-end, the City had total deposits of $10,399,147, of which $750,000 was insured and $9,649,147 was collateralized with securities held by the pledging institution's trust department or agent in the City's name.

During the year, the City invested in the Colorado Surplus Asset Fund Trust (CSAFE), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commission administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to $1.00. Investments consist of U.S. Treasury and U.S. Agency securities and repurchase agreements collateralized by U.S. Treasury and U.S. Agency securities. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. CSAFE is an SEC Rule 2a7-like investment pool. Investments are valued at the net asset value (NAV) of $1.00. At year-end, the City had the following investments:

		Investment maturities (in years)		
Investment type	Fair value	Less than 1	1-5	6-10
Investment in CSAFE	$ 1,070,088	$ 1,070,088	-	-

Credit risk - State law limits investments in commercial paper, corporate bonds, and mutual bond funds to the highest rating from at least on nationally recognized rating agency at the time of purchase. The City has no investment policy that would further limit its investment choices. At year-end, the City's investment in CSAFE was rated AAAm by Standard and Poor's.

Note 3: RECEIVABLES

Receivables at year-end consist of the following:

	Governmental Activities	Business-type Activities	Total Receivables
Utility accounts	$ -	$ 408,375	$ 408,375
Property taxes	1,050,234	-	1,050,234
Accounts	588,599	11,840	600,439
Grants	12,200	29,110	41,310
Interest	3,999	5,800	9,799
Total	$ 1,655,032	$ 455,125	$ 2,110,157

Note 4: CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2021, was as follows:

	Beginning Balance	Additions	Deletions/ Transfers	Ending Balance
Governmental activities				
Non-depreciable assets:				
Land	$ 492,622	$ -	$ -	$ 492,622
Depreciable assets:				
Buildings	3,358,281	10,900	-	3,369,181
Equipment	2,940,215	193,398	-	3,133,613
Vehicles	1,600,902	54,668	(30,673)	1,624,897
Infrastructure	4,949,636	537,099	-	5,486,735
Land improvements	1,106,720	32,144	-	1,138,864
Other	18,735	-	-	18,735
Less accumulated depreciation	(6,648,053)	(532,315)	30,673	(7,149,695)
Net depreciable capital assets	7,326,436	295,894	-	7,622,330
Governmental activities capital assets, net	$ 7,819,058	$ 295,894	$ -	$ 8,114,952
Business-type activities				
Non-depreciable assets:				
Land	$ 1,846,984	$ -	$ -	$ 1,846,984
Water right stocks	1,550,514	-	-	1,550,514
Total non-depreciable assets	3,397,498	-	-	3,397,498
Depreciable assets:				
Buildings	922,227	299,266	-	1,221,493
Equipment	5,312,665	240,378	(62,108)	5,490,935
Systems	22,658,411	259,373	-	22,917,784
Land improvements	1,203,060	176,620	-	1,379,680
Less accumulated depreciation	(9,527,504)	(868,710)	26,249	(10,369,965)
Net depreciable capital assets	20,568,859	106,927	(35,859)	20,639,927
Business-type activities capital assets, net	$ 23,966,357	$ 106,927	$ (35,859)	$ 24,037,425

Note 4: CAPITAL ASSETS (continued)

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities	
General government	$ 8,524
Public safety	173,569
Public works	251,067
Culture and recreation	99,155
Total governmental activities	532,315
Business-type activities	
Water	213,667
Trash and garbage	44,408
Waste water	334,499
Storm water	146,649
Golf course	129,487
Total business-type activities	868,710
Total depreciation expense	$ 1,401,025

Note 5: NOTES/LEASES PAYABLE

Business-Type Activities

Waste Water Fund - Note

During 2010 the City received a $9,465,000 loan from the Colorado Water Resources and Power Development Authority.

Payments are due semi-annually on February 1 and August 1 beginning February 1, 2011 and ending August 1, 2031. The net effective interest rate is 2.50%.

The City may prepay the loan repayments, in whole or in part (but if in part, in the amount of $100,000 or any integral multiple of $100,000) upon prior written notice of not less than ninety days.

The loan agreement with Colorado Water Resources and Power Development Authority contains several covenants including the establishment and maintenance of an operations and maintenance reserve fund in an amount equal to three months of operation and maintenance expenses. The City has restricted $272,576 of net position in satisfaction of the three-month renewal and maintenance reserve requirement at year-end. The City must also maintain waste water rates, fees and other charges that will cover operation and maintenance expenses and at least 110% of debt services for the calendar year. The City believes it has met this requirement for the year ended December 31, 2021.

Note 5: NOTES/LEASES PAYABLE (continued)

The City's outstanding note with CWRPDA in the amount of $5,185,000 is secured with collateral of the net revenue from operation and use of the system as defined in the loan agreement. This outstanding note contains (1) a provision that in an event of default as defined in the loan agreement, the Authority shall have the right to take any action at law or in equity as may appear necessary or desirable to collect the amounts then due and thereafter to become due hereunder or to enforce the performance and observance of any duty, covenant, obligation, or agreement including, without limitation, appointment ex parte of a receiver of the system.

On June 3, 2021, CWRPDA issued refunding State Revolving Fund (SRF) bonds Series 2021A. CWRDPA was legally obligated to pass through the savings from the refunding to its borrowers. This resulted in a credit of $396,562 issued to the City, which will reduce future debt service payments and is reflected in the table on the following page.

Golf Course Fund – Lease Obligations

In August 2019, the City entered into an agreement with Farmers State Bank of Brush to finance a lease obligation. The lease proceeds are to be used to purchase a new sprinkler system for the golf course. The agreement calls for a lease term of ten years. Annual payments of $73,912 are due August 1st of each year, with a final payment due in August 2029. The average interest rate over the lease term is 4.50%. The capital lease obligation is secured by the sprinkler system owned by the City. The cost of the sprinkler system capitalized with this lease is $585,000.

The lease agreement contains a provision that, in the event of default, the lessor may (1) terminate the lease term and may give notice to the City to return the leased property with fifteen days of the date of such notice and may then exercise all rights and remedies of a security party under the Colorado Uniform Commercial Code with respect to the leased property (2) recover from the City rentals which would have otherwise been payable hereunder, allocable to any period in with the City continues to use the lease property, or (3) take whatever action at law or in equity may appear necessary or desirable to enforce its right in and to the lease property under the lease. The City shall pay the lessor all costs and expenses, including reasonable attorney fees, incurred by the lessor in exercising any of its rights or remedies hereunder or enforcing any of the terms, conditions and provisions hereof.

In February 2021, the City entered into an agreement with Yamaha Motor Finance Corporation, USA to lease 28 golf carts. The agreement calls for a lease term of 57 months. Payments of $3,805 are due monthly during the months of May through October each year, with a final payment due in October 2025. The fixed interest rate over the lease term is 3.8%. The City will not acquire the equipment at the end of the lease term.

Note 5: NOTES/LEASES PAYABLE (continued)

The lease agreement contains a provision that, in the event of default, the lessor may (1) terminate all or any portion of the equipment schedules to the lease; (2) with or without terminating the lease, take possession of the equipment, with or without judicial process; (3) proceed by court action, either at law or in equity, to enforce performance by the City of the applicable covenants and terms of the lease, or to recover from the City any and all damages or expenses, including reasonable attorneys' fees. The lessor shall be entitled upon an event of default to damages in an amount equal to all rent then due but unpaid, plus the aggregate amount of rent thereafter coming due for the remaining term of the lease, plus the lessor's costs and expenses of pursuing its remedies hereunder (including without limitation, attorneys' fees), minus all amounts received by the lessor after using reasonable efforts to sell or re-lease the equipment after repossession or from any guaranty by the dealer or any third-party; and (4) sell the equipment or enter into a new lease of the equipment.

The following schedule represents the City's debt service requirements to maturity for the outstanding long-term debt at year-end:

	Leases		Note Payable	
Year Ending December 31,	Principal	Interest	Principal	Interest
2022	$ 71,767	$ 24,978	$ 475,000	$ 113,420
2023	74,866	21,878	485,000	105,400
2024	78,049	18,695	485,000	104,400
2025	81,474	15,270	490,000	102,865
2026	61,980	11,931	500,000	89,870
2027-2031	203,165	18,570	2,750,000	212,545
Totals	$ 571,301	$ 111,322	$ 5,185,000	$ 728,500

Note 6: CHANGES IN LONG-TERM DEBT

The following is a summary of the changes in long-term debt for the year:

	Beginning Balances	Additions	Adjustments/ Reductions	Ending Balances	Due within one year
Governmental Activities					
Compensated absences	$ 210,537	$ -	$ (29,957)	$ 180,580	$ -

Note 6: CHANGES IN LONG-TERM DEBT (continued)

	Beginning Balances	Additions	Adjustments/ Reductions	Ending Balances	Due within one year
Business-type Activities					
Compensated absences	$ 88,968	$ 9,553	$ -	$ 98,521	$ -
Premium on note payable	206,974	-	(19,106)	187,868	-
Note payable	5,650,000	-	(465,000)	5,185,000	475,000
Lease obligations	537,197	104,507	(70,403)	571,301	71,767
Total	$ 6,483,139	$ 114,060	$ (554,509)	$ 6,042,690	$ 546,767

For the governmental activities, the compensated absences are generally liquidated by the general fund. The total amount of interest cost incurred and expensed was $112,127.

Note 7: COMMITMENTS AND CONTINGENCIES

On November 3, 1992, the voters of Colorado approved Amendment 1, commonly known as the TABOR Amendment, which adds a new Section 20 to Article X of the Colorado Constitution. TABOR contains tax, spending, revenue and debt limitations which apply to the State of Colorado, all local governments, and special districts. In, November, 2000, the City's electorate approved a resolution to permit the City to retain, appropriate, and utilize, by retention for reserve, carryover fund balance, or expenditure, the full proceeds and revenues received from every source whatever, without limitation, in 2000 and all subsequent years, notwithstanding any limitation of Article X, Section 20 of the Colorado Constitution, provided however, that no local tax rate or property mill levy shall be increased at any time, nor shall any new tax be imposed, without the prior consent of voters of the City. TABOR is extremely complex and subject to interpretation. Ultimate implementation may depend upon litigation and legislative guidance.

The City has restricted $213,000 of fund balance as a result of Article X, Section 20 (TABOR) of the Colorado Constitution and believes it is in compliance with the provisions of the TABOR Amendment.

Note 8: BUDGETARY DATA

The City may authorize Supplemental appropriations during the budget year. During 2021, the following supplemental appropriations were enacted.

Fund	Amount
Fire Equipment Fund	$ 185,000
Storm Water Fund	80,000
Golf Course Fund	230,000
Grant Fund	160,000
Joslin Needham Fund	192,500
Cemetery Perpetual Care Fund	3,000
Totals	$ 850,500

The actual results of operations are presented in accordance with generally accepted accounting principles which differ in certain respects from those practices used in the preparation of the 2021 budget. For purposes of preparing the budgetary comparison schedules, the actual results of operations have been adjusted to a basis consistent with the City's budgeted revenues and expenditures. Adjustments necessary to convert the net income/revenues in excess of expenditures at the end of year on the GAAP basis to the budgetary basis are as follows:

	Water Fund	Trash and Garbage Fund	Waste Water Fund	Storm Water Fund	Golf Course Fund
Change in net position - GAAP basis	$ 429,806	$ (51,135)	$ 405,088	$ 44,580	$ 20,668
Depreciation and amortization	213,667	44,408	334,499	146,649	129,487
Lease proceeds	-	-	-	-	104,507
Principal payment	-	-	(465,000)	-	(70,403)
Amortized premium	-	-	(19,106)	-	-
Accrued interest	-	-	(19,489)	-	(352)
Capital outlay	(281,394)	-	(31,367)	(339,474)	(104,507)
Budgetary basis	$ 362,079	$ (6,727)	$ 204,625	$ (148,245)	$ 79,400

Note 9: PENSION FUNDS

The City is covered under four separate pension plans. In addition, employees may also make voluntary contributions to the deferred compensation plan as discussed in Note 10.

Note 9: PENSION FUNDS (continued)

Below is a summary of the deferred inflows/outflows, net pension assets and liabilities, and pension expense for the defined benefit plans.

	Deferred Outflows	Deferred Inflows	Net Pension Liability	Net Pension Asset	Pension Expense
SWDB	$ 316,926	$ 205,650	$ -	$ 151,562	$ 17,301
Volunteer Fire	29,923	29,797	265,433	-	25,211
Total	$ 346,849	$ 235,447	$ 265,433	$ 151,562	$ 42,512

The City's retirement plans and related disclosures are as follows:

Statewide Defined Benefit Plan

Summary of significant accounting policies

Pensions. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Fire & Police Statewide Defined Benefit Plan and additions to/deductions from Fire & Police Statewide Defined Benefit Plan's fiduciary net position have been determined on the same basis as they are reported by the Fire & Police Pension Association of Colorado. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General information about the pension plan

Plan description. The Plan is a cost-sharing multiple-employer defined benefit pension plan covering substantially all full-time employees of participating fire or police departments in Colorado hired on or after April 8, 1978 (New Hires), provided that they are not already covered by a statutorily exempt plan. As of August 5, 2003, the Plan may include clerical and other personnel from fire districts whose services are auxiliary to fire protection. The Plan became effective January 1, 1980.

The Plan assets are included in the Fire & Police Members' Benefit Investment Fund and the Fire & Police Members' Self-Directed Investment Fund (for Deferred Retirement Option Plan (DROP) assets and Separate Retirement Account assets from eligible retired members).

The Plan is administered by the Fire & Police Pension Association of Colorado (FPPA). FPPA issues a publicly available comprehensive annual financial report that can be obtained on FPPA's website at http://www.FPPAco.org.

Note 9: PENSION FUNDS (continued)

Benefits provided. A member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55. Effective January 1, 2021, a member may also qualify for a normal retirement pension if the member's combined years of service and age equals at least 80, with a minimum age of 50 (Rule of 80).

The annual normal retirement benefit is 2 percent of the average of the member's highest three years' pensionable earnings for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members covered under Statewide Defined Benefit Social Security Component will receive half the benefit when compared to the Statewide Defined Benefit Plan. Benefits adjustments paid to retired members are evaluated annually and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0 to the higher of 3 percent or the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

A member is eligible for an early retirement after completion of 30 years of service or attainment of age 50 with at least five years of credited service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5 percent as interest, returned as a lump sum distribution. Alternatively, a member with at least five years of accredited service may leave contributions with the Plan and remain eligible for a retirement pension at age 55 equal to 2 percent of the member's average highest three years' pensionable earnings for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter.

Contributions. Through December 31, 2020, contribution rates for the SWDB Plan are set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or by election of the membership. Effective January 1, 2021, contribution rates for employers and members may be increased equally by the FPPA Board of Directors upon approval through an election by both the employers and members.

In 2014, the members elected to increase the member contribution rate to the SWDB Plan beginning in 2015. Member contribution rates will increase 0.5 percent annually through 2022 to a total of 12 percent of pensionable earnings. Employer contributions are 8.0 percent and 8.50 percent in 2020 and 2021, respectively. Employer contributions will increase 0.5 percent annually beginning in 2021 through 2030 to a total of 13.0 percent of pensionable earnings. In 2020, members of the SWDB plan and their employers are contributing at the rate of 11.0 percent and 8.0 percent, respectively, of pensionable earnings for a total contribution rate of 19.0 percent.

Note 9: PENSION FUNDS (continued)

Contributions from members and employers of departments reentering the system are established by resolution and approved by the FPPA Board of Directors. The reentry group has a combined contribution rate of 23.0 percent and 23.5 percent of pensionable earnings in 2020 and 2021, respectively. It is a local decision as to whether the member or employer pays the additional 4 percent contribution. The member and employer contribution rates will increase through 2030 as described above for the non-reentering departments. Effective January 1, 2021, reentry departments may submit a resolution to the FPPA Board of Directors to reduce the additional 4 percent contribution, to reflect the actual cost of reentry by department, to plan for reentry contributions. Each reentry department is responsible to remit contributions to the plan in accordance with their most recent FPPA Board of Directors approved resolution.

The contribution rate for members and employers of affiliated social security employers is 5.5 percent and 4 percent, respectively, of pensionable earnings for a total contribution rate of 9.50 percent in 2020 and 9.75 percent in 2021. Per the 2014 member election, members of the affiliate social security group had their required member contribution rate increase 0.25 percent annually beginning in 2015 through 2022 to a total of 6 percent of pensionable earnings. Employer contributions are 4.0 percent and 4.25 percent in 2020 and 2021, respectively. Employer contributions will increase 0.25 percent annually beginning in 2021 through 2030 to a total of 6.5 percent of pensionable earnings.

Contributions to the Plan from the City during the year ended December 31, 2021 were $51,118.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2021 the City reported an asset of $151,562 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2020, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2021. The City's proportion of the net pension asset was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At December 31, 2020, the City's proportion was .0698 percent, which was a decrease of .0111 percent from its proportion measured as of December 31, 2019.

For the year ended December 31, 2021, the City recognized pension expense of $17,301. At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Note 9: PENSION FUNDS (continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual investment earnings	$ -	$ 174,378
Changes in assumptions and other inputs	67,103	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	52,211	30,555
Difference between expected and actual experience	146,494	717
Contributions subsequent to measurement date	51,118	-
Totals	$ 316,926	$ 205,650

$51,118 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as an addition to the net pension asset in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Amount
2022	$ (19,963)
2023	5,466
2024	(20,296)
2025	10,864
2026	33,317
Thereafter	50,770
Totals	$ 60,158

Actuarial assumptions. The actuarial valuations for the Statewide Defined Benefit Plan were used to determine the total pension liability and actuarially determined contributions for the fiscal year ended December 31, 2020. The valuations used the following actuarial assumption and other inputs:

Note 9: PENSION FUNDS (continued)

	Total Pension Liability	Actuarial Determined Contributions
Actuarial valuation date	January 1, 2021	January 1, 2020
Actuarial method	Entry age normal	Entry age normal
Amortization method	N/A	Level % of payroll, open
Amortization period	N/A	30 years
Long-term investment rate of return, net*	7.0%	7.0%
Projected salary increases*	4.25% - 11.25%	4.25% - 11.25%
Cost of living adjustments (COLA)	0%	0%
*Includes inflation at	2.5%	2.5%

For determining the total pension liability and actuarially determined contributions, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rates from the RP-2014 Annuitant Mortality Tables projected to 2018 using the MP-2017 projection scales, and the projected prospectively using the ultimate rates of the scale for all years. The pre-retirement off-duty mortality tables are adjusted to 50% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015.

At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2018 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2019. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent). Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2020, are summarized in the following table:

Note 9: PENSION FUNDS (continued)

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Global Equity	39%	8.23%
Equity Long/Short	8%	6.87%
Private Markets	26%	10.63%
Fixed Income – Rates	10%	4.01%
Absolute Return – Credit	5%	5.25%
Absolute Return	10%	5.60%
Cash	2%	2.32%
Total	100%	

The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the SWDB plan fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Discount rate. Projected benefit payments are required to be discounted to their actuarial present values using a single discount rate that reflects (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00 percent; the municipal bond rate is 2.00 percent (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.00 percent.

Sensitivity of the City's proportionate share of the net pension liability/(asset) to changes in the discount rate. Regarding the sensitivity of the net pension liability/(asset) to changes in the single discount rate, the following presents the City's proportionate share of the net pension liability/(asset), calculated using a single discount rate of 7.00 percent, as well as what the City's proportionate share of the net pension liability/(asset) would be if it were calculated using a single discount rate that is one percent lower or one percent higher:

Note 9: PENSION FUNDS (continued)

	1% Decrease (6.00%)	Current Discount (7.00)	1% Increase (8.00)
Proportionate share of the net pension liability (asset)	$ 152,524	$ (151,562)	$ (403,384)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Fire & Police Pension Association of Colorado financial report.

Payables to the pension plan

The City did not report any payables to the pension plan at year-end.

Brush Combined Volunteer Pension Fund

Summary of significant accounting policies

Pensions. For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense (income), information about the fiduciary net position of the Brush Combined Volunteer Pension Fund and additions to/deductions from Brush Combined Volunteer Pension Fund's net position have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General information about the pension plan

Plan administration. The City's defined benefit pension plan for volunteers currently provides normal retirement, funeral, disability retirement and survivor benefits to plan members and beneficiaries. The plan is affiliated with the Fire and Police Member's Benefit Fund, an agent multiple-employer pension plan administered by the Fire and Police Pension Association (FPPA) of Colorado. Title 31, Article 30 of the Colorado Revised Statutes assigns the authority to establish and amend the benefit provisions of the plans that participate in FPPA to the respective member entities. The FPPA issues a publicly available financial report that includes financial statements and required supplementary information for Public Employee Retirement System (PERS) Affiliated Local Plans that can be obtained at www.fppaco.org.

Note 9: PENSION FUNDS (continued)

The City and the Brush Rural Fire Protection District formed an intergovernmental agreement in 2003 to consolidate the City and Rural pension plans into one, effect January 1, 2004. All of the plan assets are managed and benefits paid by FPPA. The City reports its proportionate share of the combined Pension Plan on its financial statements that include the net pension liability of the plan.

Plan membership. At year-end, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	40
Inactive plan members entitled to but not yet receiving benefits	2
Active plan members	21
Total	63

Benefits provided. The plan provides retirement and death benefits. Any firefighter who has both reached the age of 50 and completed 20 years of active service shall be eligible for a monthly pension (currently $260 per month). Vesting for reduced monthly pension benefits begins at 10 years of service, with full pension after 20 years. The plan provides for a lump-sum burial benefit of $520 upon the death of an active or retired firefighter. The plan also provides disability monthly benefit ranging from $130 to $260 and survivor monthly benefit on $130.

Contributions. Contribution requirements of the plan are established under Title 31, Article 30 of the Colorado Revised Statutes. The plan is noncontributory regarding participants. Contributions to the plan for the year ended December 31, 2021 included $60,945 from the State of Colorado matching funds, $23,272 from Brush Rural Fire Protection District and $22,283 from the City.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2021 the City reported a proportionate share of net pension liability of $265,433. The net pension liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2021. The proportionate share was determined by the total contributions of the City and the Brush Rural Fire Protection District made in 2020.

At December 31, 2020, the City's proportion was 48 percent, which was an increase of 2 percent from its proportion measured as of December 31, 2019.

Note 9: PENSION FUNDS (continued)

For the year ended December 31, 2021, the City recognized pension expense of $25,211. At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	$ 4,088
Changes in assumptions or other inputs	-	-
Net difference between projected and actual earnings on pension plan investments	-	25,709
Changes in proportion and differences between contributions recognized and proportionate share of contributions	7,640	-
Contributions subsequent to the measurement date	22,283	-
Total	$ 29,923	$ 29,797

$22,283 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the subsequent year. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Amount
2022	$ (6,130)
2023	(2,491)
2024	(9,353)
2025	(4,183)
Totals	$ (22,157)

Note 9: PENSION FUNDS (continued)

Actuarial assumptions. The total pension liability in the January 1, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method	Entry age normal
Amortization method	Level dollar, open*
Remaining amortization period	20 years*
Asset valuation method	5-year smoothed fair value
Inflation	2.50%
Salary increases	N/A
Investment rate of return	7.00%
Retirement age	50% per year of eligibility until 100% at age 65
Mortality	**Pre-retirement**: 2006 central rates from the RP-2014 Employee Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years, 50% multiplier for off-duty mortality. **Post-retirement**: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years. **Disabled**: 2006 central rates from the RP-2014 Disabled Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.

*Plans that are heavily weighted with retiree liabilities use an amortization period based on the expected remaining lifetime of the participants.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic nominal rates of return for each major asset class included in the Fund's target asset allocation of December 31, 2020 are summarized in the following table:

Note 9: PENSION FUNDS (continued)

Asset Class	Target Allocation	Long-Tem Expected Rate of Return
Cash	2.00%	2.32%
Fixed Income – Rates	10.00%	4.01%
Fixed Income – Credit	5.00%	5.25%
Absolute Return	10.00%	5.60%
Long Short	8.00%	6.87%
Global Equity	39.00%	8.23%
Private Markets	26.00%	10.63%
Totals	100.00%	

Discount rate. The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions will be made based on the actuarially determined rates based on the Fire & Police Pension Association Board of Directors' funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the plan fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's net pension liability to changes in the discount rate. The following presents the City's net pension liability calculated using the discount rate of 7.00 percent, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.00 percent) or 1-percentage point higher (8.00 percent) than the current rate:

	1% Decrease (6.00%)	Discount (7.00%)	Current 1% Increase (8.00%)
Net pension liability (asset)	$ 339,486	$ 265,433	$ 203,552

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Brush Rural Fire Protection District Volunteer Pension Fund financial report.

Payables to the pension plan

The City did not report any payables to the pension plan at year-end.

Note 9: PENSION FUNDS (continued)

Defined Contribution Plan

The City participates in the City of Brush, Colorado Money Purchase Pension Plan (the Plan), a defined contribution plan administered by Great West Retirement. Benefit terms, including contribution requirements, for the Plan are established and may be amended by City Council. The City is required to contribute 5% of covered employee's salary, while employees are not required to make any contributions. For the year, the City recognized pension expense of $69,627. Employee vesting begins at two years with 20% and continues at 20% per year until fully vested in year six.

Note 10: DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. In 1998 this plan moved all assets into a trust for the exclusive benefit of the participants and their beneficiaries, as required by the Internal Revenue Code.

Note 11: RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City participates in the Colorado Intergovernmental Risk Sharing Agency (herewith referred to as "CIRSA"). CIRSA is a separate legal entity established by member municipalities pursuant to the provisions of Colorado Revised Statute and the Colorado Constitution. The purposes of CIRSA are to provide members defined liability and property coverages and to assist members to prevent and reduce losses and injuries to municipal property and to person or property which might result in claims being made against members of CIRSA, their employees or officers.

The City recognized as an expense/expenditure the amounts paid to CIRSA annually in the amounts of $233,550 for the Worker's Compensation Pool and $172,555 for the Property/Casualty Pool. Contingent liability claims for the coverage have not been recognized to date after reviewing claim history and the remoteness of potential loss in excess of actual contributions by the City.

Note 11: RISK MANAGEMENT (continued)

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of CIRSA against stated liability or loss to the limit of the financial resources of CIRSA. It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverage at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members.

CIRSA is a separate legal entity and the City does not approve its budgets nor does it have the ability to significantly affect the operations of the unit. CIRSA is affiliated and shares facilities with Colorado Intergovernmental Risk Sharing Agency for Worker's Compensation (CIRSA/WC).

The City carries airport liability and boiler and machinery coverage through commercial carriers.

Note 12: GRANTS

The City receives financial assistance from various governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audit could become a liability of the City. However, in the opinion of the City, any such disallowed claims will not have a material effect on the financial statements or on the overall financial position of the City at December 31, 2021.

Note 13: INTERFUND TRANSFERS AND BALANCES

All interfund borrowings and transfers are as follows:

Due From	Due To	Amount
General Fund	Golf Course Fund	$ 120,000
General Fund	Grant Fund	13,212
Grant Fund	Golf Course Fund	6,209
Other Governmental Funds	Other Governmental Funds	7,984
Totals		$ 147,405

All balances resulted from the time lag between the dates that (1) interfund reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Note 13: INTERFUND TRANSFERS AND BALANCES (continued)

Transfers In	Transfers Out	Amount
General Fund	Other Governmental Funds	$ 40
General Fund	Water Fund	24,995
General Fund	Trash & Garbage Fund	11,835
General Fund	Waste Water Fund	36,410
General Fund	Storm Water Fund	4,220
Golf Course Fund	General Fund	173,915
Totals		$ 251,415

The transfer between the general fund and other governmental funds is for earnings on Cemetery Perpetual Care investments. The transfer from the enterprise funds to the General Fund are annual transfers for community enhancement projects which includes the City's economic development efforts. The General Fund also transferred funds to the Golf Course Fund to help subsidize the operations of the golf course.

Note 14: FUND BALANCE CLASSIFICATIONS

	Nonspendable	Restricted	Committed	Assigned
Inventory	$ 58,440	$ -	$ -	$ -
Prepaid expenses	46,007	-	-	-
Emergencies	-	213,000	-	-
Bicentennial celebration	-	3,462	-	-
Tricentennial celebration	-	2,118	-	-
Park improvements	-	94,798	94,925	-
Police equipment	-	3,242	-	-
Police improvements	-	7,154	-	-
Street improvements	-	1,108,761	13,530	-
Fire equipment	-	1,154,170	-	-
Cemetery maintenance	-	-	65,407	-
Community enhancements	-	-	-	324,627
General equipment	-	-	-	86,447
Total	$ 104,447	$ 2,586,705	$ 173,862	$ 411,074

Restricted fund balances

TABOR requires an emergency reserve be set aside for 2021 in the amount of 3% or more of its fiscal year spending. At December 31, 2021, the City has restricted $134,403 in the Special Surplus and Deficiency Fund and $78,597 in the General Fund for emergencies.

Note 14: FUND BALANCE CLASSIFICATIONS (continued)

In addition, the General Fund ending fund balance is restricted in the amount of $3,462 and $2,118 for funds held on behalf of the City of Brush Bi and Tri-Centennial Committee, respectively.

The City presently levies a four percent (4%) sales tax. The sales tax is collected by the Colorado Department of Revenue and remitted to the City in the month following receipt by the Department of Revenue. The Department of Revenue receives the sales tax approximately one month after collection by the vendors. The citizens of Brush passed a ballot initiative for an increase of sales tax in November of 2006, increasing the sales tax rate by six-tenths of a percent from the previous three percent. The 2007 increase is specifically for street maintenance, improvements, and other related municipal purposes. The money is to be deposited in the Capital Improvement Fund. All amounts not spent at year-end are restricted for the purposes designated by the legislation. At December 31, 2021, the amount of fund balance restricted for street maintenance was $1,108,761. This amount is restricted by enabling legislation.

The citizens of Brush passed a ballot initiative for an increase of sales tax in November of 2014, increasing the sales tax rate by four-tenths of a percent from the previous three and six-tenths percent. Along with the increased sales tax revenues, the City has also established a separate mill levy specifically for the purchase of fire equipment and building improvements. The money is to be deposited in the Fire Equipment Fund. All amounts not spent at year-end are restricted for the purposes designated by legislation. At December 31, 2021, the amount of fund balance restricted for fire equipment and building improvements is $1,154,170.

The City receives monies from the State under the Colorado lottery program to be spent for park and recreation purposes only. At December 31, 2021, the amount of fund balance restricted in the Conservation Trust Fund for park maintenance and improvements was $94,798.

The City has received funds from drug related court cases which the police department has been involved in. By state statute, expense is to be used for police equipment replacement. At December 31, 2021, the amount of fund balance restricted in the Police Forfeiture and Confiscation Fund for police drug enforcement equipment was $3,242.

The City received evidence funds at the time of police arrests. At December 31, 2021, the amount of fund balance restricted in the Police Forfeiture and Confiscation Fund from evidence seizures was $7,154.

Note 15: NET POSITION CLASSIFICATIONS

At year end, the government wide statement of net position reports the following restricted net position:

Restricted For	Governmental Activities	Business-Type Activities	Total
Emergencies	$ 213,000	$ -	$ 213,000
Bicentennial Celebration	3,462	-	3,462
Tricentennial Celebration	2,118	-	2,118
Park Improvements	94,798	-	94,798
Police Equipment	3,242	-	3,242
Police Improvements	7,154	-	7,154
Street Improvements	1,108,761	-	1,108,761
Fire Equipment	1,154,170	-	1,154,170
Pensions	151,562	-	151,562
Debt Service	-	272,576	272,576
Total	$ 2,738,267	$ 272,576	$ 3,010,843

Note 16: OPERATING LEASES

In August 2019, the City entered into an operating lease agreement with the Brush Rural Fire Protection District to lease the vested rights to the city-owned fire department building. The leased building has a cost of $1,596,541, accumulated depreciation of $119,741, and carrying costs of $1,476,800.

Future minimum rentals to be received under this lease as of December 31, 2021 are as follows:

Year ended December 31,	Amount
2022	$ 30,578
2023	30,578
2024	30,578
2025	30,578
2026	30,578
2026-2029	91,735
Total	$ 244,625

Note 17: BUDGET VIOLATION

Expenditures/Expenses in the Police Forfeiture Confiscation Fund and Golf Course Fund exceeded appropriations by $899 and $74,973, respectively, which may be a violation of local government budget laws.

Required Supplementary Information

Required supplementary information includes financial information and disclosures that are required by the Governmental Accounting Standards Board but are not considered a part of the basic financial statements. Such information includes:

- Schedule of the City's Proportionate Share of the Net Pension Liability (Asset) – Police Statewide Defined Benefit Plan
- Schedule of City Contributions – Police Statewide Defined Benefit Plan
- Schedule of the City's Proportionate Share of the Net Pension Liability (Asset) – Brush Combined Volunteer Fire Pension Plan
- Schedule of City Contributions – Brush Combined Volunteer Fire Pension Plan
- General Fund – Budgetary Comparison Schedule
- Grant Fund – Budgetary Comparison Schedule
- Notes to the Required Supplementary Information

CITY OF BRUSH, COLORADO
Schedule of the City's Proportionate Share of the Net Pension Liability/(Asset) [1]
Police Statewide Defined Benefit Plan
December 31, 2021

	2021	2020	2019	2018
City's proportion of the net pension liability/(asset)	0.0698%	0.0809%	0.0687%	0.0879%
City's proportionate share of the net pension liability/(asset)	$ (151,562)	$ (45,767)	$ 86,817	$ (126,485)
City's covered payroll	$ 521,382	$ 595,492	$ 460,995	$ 510,449
City's proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	-29.1%	-7.7%	18.8%	-24.8%
Plan fiduciary net position as a percentage of the total pension liability	106.7%	101.9%	95.2%	106.3%

* The amounts presented for each fiscal year were determined as of December 31 of the prior year.

[1] Until a full 10-year trend is compiled, the City will present information for those years for which information is available.

2017	2016	2015	2014
0.0980%	0.0979%	0.0831%	0.0949%
$ 35,394	$ (1,725)	$ (93,757)	$ (84,870)
$ 502,160	$ 480,214	$ 371,990	$ 413,228
7.0%	-0.4%	-25.2%	-20.5%
98.2%	100.1%	106.8%	105.8%

CITY OF BRUSH, COLORADO
Schedule of City Contributions [1]
Police Statewide Defined Benefit Plan
December 31, 2021

	2021	2020	2019	2018
Contractually required contribution	$ 51,118	$ 44,317	$ 47,639	$ 36,880
Contributions in relation to the contractually required contribution	(51,118)	(44,317)	(47,639)	(36,880)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
City's covered payroll	$ 601,386	$ 521,382	$ 595,492	$ 460,995
Contributions as a percentage of covered payroll	8.50%	8.50%	8.00%	8.00%

1 Until a full 10-year trend is compiled, the City will present information for those years for which information is available.

2017	2016	2015	2014	2013
$ 40,836	$ 40,172	$ 38,417	$ 29,759	$ 33,058
(40,836)	(40,172)	(38,417)	(29,759)	(33,058)
$ -	$ -	$ -	$ -	$ -
$ 510,449	$ 502,160	$ 480,214	$ 371,990	$ 413,228
8.00%	8.00%	8.00%	8.00%	8.00%

CITY OF BRUSH, COLORADO
Schedule of the City's Proportionate Share of the Net Pension Liability [1]
Brush Combined Volunteer Fire Pension Plan
December 31, 2021

	2021	2020	2019	2018
City's proportion of the net pension liability	48%	46%	46%	44%
City's proportionate share of the net pension liability	$ 265,433	$ 285,751	$ 309,642	$ 227,374
City's covered payroll	N/A	N/A	N/A	N/A
City's proportionate share of the net pension liability as a percentage of its covered payroll	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	61.63%	57.33%	53.70%	62.47%

* The amounts presented for each fiscal year were determined as of December 31 of the prior year.

1 Until a full 10-year trend is compiled, the City will present information for those years for which information is available.

2017	2016	2015	2014
44%	44%	44%	44%
$ 250,493	$ 229,944	$ 218,325	$ 213,008
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A
58.47%	60.53%	62.37%	62.47%

CITY OF BRUSH, COLORADO
Schedule of City Contributions [1]
Brush Combined Volunteer Fire Pension Plan
December 31, 2021

	2021	2020	2019	2018
Contractually required contribution	$ 22,283	$ 21,271	$ 18,385	$ 17,810
Contributions in relation to the contractually required contribution	(22,283)	(21,271)	(18,385)	(17,810)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
City's covered payroll	N/A	N/A	N/A	N/A
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A

1 Until a full 10-year trend is compiled, the City will present information for those years for which information is available.

2017	2016	2015	2014	2013
$ 16,740	$ 16,662	$ 17,316	$ 18,687	$ 17,278
(16,740)	(16,662)	(17,316)	(18,687)	(17,278)
$ -	$ -	$ -	$ -	$ -
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A

CITY OF BRUSH, COLORADO
General Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2021

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Revenues				
Taxes	$ 3,226,210	$ 3,226,210	$ 3,727,493	$ 501,283
Licenses and permits	36,860	36,860	110,889	74,029
Intergovernmental	395,100	395,100	416,109	21,009
Fines and forfeitures	30,000	30,000	25,076	(4,924)
Charges for services	217,500	217,500	236,787	19,287
Miscellaneous	764,920	764,920	962,496	197,576
Total revenues	4,670,590	4,670,590	5,478,850	808,260
Expenditures				
Current				
General government	1,387,825	1,387,825	1,218,103	169,722
Public safety	1,494,350	1,494,350	1,455,799	38,551
Public works	1,020,070	1,020,070	902,472	117,598
Culture and recreation	941,985	941,985	838,990	102,995
Capital outlay	425,000	425,000	388,823	36,177
Total expenditures	5,269,230	5,269,230	4,804,187	465,043
Excess of revenues over (under) expenditures	(598,640)	(598,640)	674,663	1,273,303
Other financing sources (uses)				
Transfers in	442,765	442,765	77,500	(365,265)
Transfers out	(537,720)	(537,720)	(173,915)	363,805
Total other financing sources (uses)	(94,955)	(94,955)	(96,415)	(1,460)
Net change in fund balance	$ (693,595)	$ (693,595)	578,248	$ 1,271,843
Fund balance at beginning of year			3,656,848	
Fund balance at end of year			$ 4,235,096	

CITY OF BRUSH, COLORADO
Grant Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2021

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Revenues				
State grant			$ 36,586	$ 36,586
Federal grant		$ 160,000	11,003	(148,997)
Total revenues	$ -	160,000	47,589	(112,411)
Expenditures				
General government				
State grant			36,586	(36,586)
Public safety				
Federal grant		160,000	11,003	148,997
Total expenditures	-	160,000	47,589	112,411
Net change in fund balance	$ -	$ -	-	$ -
Fund balance at beginning of year			-	
Fund balance at end of year			$ -	

Note 1: BUDGETARY DATA

Annual budgets are established for all funds of the City as required by its local code. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles except for the enterprise funds in which capital and principal retirement expenses are treated as operating expenses and depreciation expense is not budgeted.

An appropriated budget for the entity as a whole is prepared on a detailed basis. Revenues are budgeted by source. Expenditures are budgeted by department and the major divisions thereof and by each independent office and agency and by the principal objects of expenditure. The legal level of control is considered to be the entity as a whole and expenditures may not exceed appropriations at this level. All budget revisions at this level are subject to final review and approval by City council. Within these control levels, management may transfer appropriations without City council approval. Revisions to the budget were made throughout the year.

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- On or before October 15th of each year, or in conformity with the general state law, the budget is submitted to the City council a budget which shall be a complete financial plan for the ensuing fiscal year.
- At the same time the budget is submitted, an appropriation ordinance making a levy in mills upon all taxable property within the City for the ensuing fiscal year.
- A public hearing on the budget shall be held by City council two weeks after its submission. Notice of the time and place of said hearing shall be published within three days after the submission of the budget.
- Prior to December 15th, or in conformity with the general state law, the City council shall adopt the budget and the tax levy ordinance.
- Any portion of any annual appropriation remaining unexpended and unencumbered at the close of the budget year shall be declared surplus and included in the budget for the ensuing year as those appropriations lapse at year-end.

Note 2: FACTORS AFFECTING TRENDS IN AMOUNTS REPORTED IN THE PENSION SCHEDULES – POLICE STATEWIDE DEFINED BENEFIT PLAN

Information about factors that significantly affect trends in the amounts reported in the pension schedules is available in FPPA's comprehensive annual financial report which can be obtained at www.fppaco.org/annual-reports.html.

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Other Supplementary Information

Other supplementary information includes financial statements and schedules not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- General Fund – Budgetary Comparison Schedules of Revenues and Expenditures
- Combining Statements and Budgetary Comparison Schedules – Nonmajor
- Governmental Funds
- Budgetary Comparison Schedules – Proprietary Funds

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Budgetary Comparison Schedules – General Fund

The General Fund accounts for all transactions of the City not required to be accounted for in other funds. This fund represents an accounting of the City's ordinary operations financed primarily from tax dollars and intergovernmental aid. It is the most significant fund in relation to the City's overall operations. The schedules of revenues and expenditures are included to provide a greater level of detail to the reader of the financial statements.

CITY OF BRUSH, COLORADO
General Fund
Budgetary Comparison Schedule - Revenues
For the Year Ended December 31, 2021

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Taxes				
Property taxes	$ 825,710	$ 825,710	$ 832,502	$ 6,792
Specific ownership taxes	85,000	85,000	98,064	13,064
Sales taxes	2,050,000	2,050,000	2,420,304	370,304
Use taxes	8,000	8,000	72,101	64,101
Gas and electric franchise	215,000	215,000	261,471	46,471
Phone franchise	1,500	1,500	1,215	(285)
TV franchise	41,000	41,000	41,836	836
Total taxes	3,226,210	3,226,210	3,727,493	501,283
Licenses and permits				
Liquor	8,400	8,400	3,580	(4,820)
Amusement	360	360		(360)
Building and plumbing	20,500	20,500	99,299	78,799
Animal and miscellaneous	7,600	7,600	8,010	410
Total licenses and permits	36,860	36,860	110,889	74,029
Intergovernmental				
Highway users tax	146,000	146,000	166,422	20,422
Severance tax	30,000	30,000	14,507	(15,493)
Morgan County - road fund rebate	190,000	190,000	198,920	8,920
State Highway 34 maintenance	11,100	11,100	8,395	(2,705)
Grant income	13,000	13,000	27,865	14,865
School liaison	5,000	5,000		(5,000)
Total intergovernmental	395,100	395,100	416,109	21,009
Fines and forfeitures				
Court fines	30,000	30,000	25,076	(4,924)
Total fines and forfeitures	30,000	30,000	25,076	(4,924)

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Charges for services				
Zoning	1,000	1,000	3,140	2,140
Cemetery	30,500	30,500	64,490	33,990
Swimming pool	30,000	30,000	32,520	2,520
Other recreation activities	125,000	125,000	80,822	(44,178)
Park fees	31,000	31,000	55,815	24,815
Total charges for services	217,500	217,500	236,787	19,287
Miscellaneous				
Interest on investments	16,100	16,100	8,209	(7,891)
Farm income	2,220	2,220	2,220	-
Airport rent	500	500	10,845	10,345
Lease income	9,000	9,000	15,000	6,000
Administrative fees	711,100	711,100	711,100	-
Local grants and donations	16,000	16,000	819	(15,181)
Miscellaneous	10,000	10,000	214,303	204,303
Total miscellaneous	764,920	764,920	962,496	197,576
Total revenues	$ 4,670,590	$ 4,670,590	$ 5,478,850	$ 808,260

CITY OF BRUSH, COLORADO
General Fund
Budgetary Comparison Schedule - Expenditures
For the Year Ended December 31, 2021

	Budgeted Amounts			Variance with Final Budget Favorable
	Original	Final	Actual	(Unfavorable)
General government				
Legislative				
Council salaries	$ 21,900	$ 21,900	$ 21,600	$ 300
Employee benefits	1,875	1,875	1,789	86
Travel	7,000	7,000	4,740	2,260
Dues	300	300		300
Computer maintenance	1,200	1,200	100	1,100
Total legislative	32,275	32,275	28,229	4,046
City clerk				
Clerk's salary	59,540	59,540	60,947	(1,407)
Employee benefits	17,820	17,820	22,997	(5,177)
Supplies	775	775	590	185
Telephone	50	50	79	(29)
Dues	740	740	175	565
Travel	3,000	3,000	2,160	840
Elections	1,500	1,500	3,386	(1,886)
Records management	7,400	7,400	4,198	3,202
Total city clerk	90,825	90,825	94,532	(3,707)
Executive				
Mayor's salaries	7,200	7,200	7,200	-
Employee benefits	600	600	573	27
Travel	1,500	1,500	15	1,485
Dues	200	200		200
Computer maintenance	200	200		200
Total executive	9,700	9,700	7,788	1,912
City administrator				
Salaries	114,445	114,445	116,349	(1,904)
Employee benefits	55,830	55,830	56,039	(209)
Telephone	2,000	2,000	2,874	(874)
Dues	3,100	3,100	1,162	1,938
Travel	4,500	4,500	5,865	(1,365)
Fuel and oil	250	250		250
Total city administrator	180,125	180,125	182,289	(2,164)

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Administration				
Salaries	218,200	218,200	195,172	23,028
Employee benefits	82,940	82,940	65,795	17,145
Supplies	16,000	16,000	13,459	2,541
Professional services	67,000	67,000	43,961	23,039
Pension contributions	23,670	23,670	22,283	1,387
Telephone	8,000	8,000	28,947	(20,947)
Utilities	10,000	10,000	9,309	691
Dues	5,000	5,000	3,339	1,661
Travel and training	10,000	10,000	1,123	8,877
Advertising	6,000	6,000	7,727	(1,727)
Building maintenance	8,900	8,900	10,184	(1,284)
Insurance and bonds - general	59,970	59,970	67,183	(7,213)
Radio & computer maintenance	11,100	11,100	6,395	4,705
Contributions	31,500	31,500	51,450	(19,950)
Employee incentive program	22,000	22,000	29,742	(7,742)
Subdivision development	49,475	49,475		49,475
Fuel and oil	400	400	102	298
Repairs & maintenance - auto	100	100	13	87
Miscellaneous	5,000	5,000	4,340	660
Total administration	635,255	635,255	560,524	74,731
Community development				
Salaries	45,410	45,410	51,130	(5,720)
Employee benefits	18,490	18,490	21,564	(3,074)
Supplies	1,000	1,000	16,193	(15,193)
Professional services	120,000	120,000	14,065	105,935
Telephone	400	400	1,090	(690)
Dues	1,700	1,700	609	1,091
Travel and training	4,000	4,000	1,626	2,374
Building & radio maintenance	2,500	2,500	27,094	(24,594)
Safety reimbursement	250	250		250
Tree board	6,000	6,000	257	5,743
Community outreach	3,000	3,000	2,809	191
Historic preservation	1,000	1,000	161	839
Fuel and oil	500	500	897	(397)
Repairs & maintenance - auto	500	500	45	455
Community enhancement	27,600	27,600	5,837	21,763
Total community development	232,350	232,350	143,377	88,973

(continued)

CITY OF BRUSH, COLORADO
General Fund
Budgetary Comparison Schedule - Expenditures
For the Year Ended December 31, 2021

(continued)	Budgeted Amounts			Variance with Final Budget Favorable
	Original	Final	Actual	(Unfavorable)
Marketing				
Salaries	78,700	78,700	80,807	(2,107)
Employee benefits	31,200	31,200	31,451	(251)
Supplies	1,400	1,400	67	1,333
Professional services			917	(917)
Telephone	850	850		850
Dues	1,275	1,275	310	965
Travel and training	3,500	3,500	1,365	2,135
Advertising	400	400		400
Economic development	11,195	11,195	8,313	2,882
Fuel and oil	600	600		600
Repairs & maintenance - auto	200	200		200
Miscellaneous			194	(194)
Total marketing	129,320	129,320	123,424	5,896
Municipal court				
Salaries	34,540	34,540	35,834	(1,294)
Employee benefits	15,890	15,890	15,127	763
Supplies	475	475	2,207	(1,732)
Legal fees	25,000	25,000	21,905	3,095
Telephone	50	50		50
Dues	20	20	50	(30)
Computer maintenance	1,000	1,000	2,475	(1,475)
Travel and training	1,000	1,000	342	658
Total municipal court	77,975	77,975	77,940	35
Total general government	1,387,825	1,387,825	1,218,103	169,722
Public safety				
Police				
Salaries - permanent	696,505	696,505	765,170	(68,665)
Salaries - clerical/code enforcer	100,775	100,775	76,737	24,038
Employee benefits	341,245	341,245	334,554	6,691
Supplies	46,800	46,800	36,471	10,329
Professional services	16,500	16,500	11,371	5,129
Telephone	14,000	14,000	13,314	686
Utilities	7,500	7,500	2,712	4,788

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Police (continued)				
Dues	1,500	1,500	1,179	321
Travel and training	14,000	14,000	16,935	(2,935)
Advertising	1,500	1,500	2,198	(698)
Repairs & maintenance - general	34,000	34,000	20,845	13,155
Recruiting	2,000	2,000	2,215	(215)
Animal control	8,075	8,075	2,997	5,078
Investigations	18,000	18,000	10,940	7,060
School liaison	1,700	1,700		1,700
Policing and emergency services	7,000	7,000	998	6,002
K-9 program	3,000	3,000	886	2,114
SWAT	5,000	5,000	2,684	2,316
Fuel and oil	24,000	24,000	38,633	(14,633)
Repairs & maintenance - auto	26,000	26,000	38,838	(12,838)
Total police	1,369,100	1,369,100	1,379,677	(10,577)
Fire Department				
Fringe benefits	11,000	11,000	10,533	467
Repairs, maintenance and supplies	36,000	36,000	36,333	(333)
Telephone	4,000	4,000	3,461	539
Utilities	8,500	8,500	4,661	3,839
Professional services	7,500	7,500		7,500
Dues	3,500	3,500	475	3,025
Travel and training	10,000	10,000	10,693	(693)
Advertising	500	500		500
Building maintenance	9,000	9,000	2,132	6,868
Fireworks	9,000	9,000	216	8,784
Radio & computer maintenance	12,000	12,000	4,128	7,872
Fuel and oil	5,000	5,000	1,256	3,744
Repairs & maintenance - auto	9,250	9,250	2,234	7,016
Total fire department	125,250	125,250	76,122	49,128
Total public safety	1,494,350	1,494,350	1,455,799	38,551

(continued)

CITY OF BRUSH, COLORADO
General Fund
Budgetary Comparison Schedule - Expenditures
For the Year Ended December 31, 2021

(continued)	Budgeted Amounts			Variance with Final Budget Favorable
	Original	Final	Actual	(Unfavorable)
Public works				
Streets				
Salaries	274,975	274,975	273,744	1,231
Employee benefits	214,670	214,670	202,603	12,067
Supplies	28,150	28,150	20,160	7,990
Professional services	3,000	3,000	6,983	(3,983)
Medical	2,000	2,000	2,168	(168)
Telephone	1,100	1,100	1,410	(310)
Electrical - street lights	105,000	105,000	125,502	(20,502)
Dues	400	400	370	30
Travel and training	5,000	5,000		5,000
Advertising	800	800	208	592
Building maintenance	3,000	3,000	7,217	(4,217)
Radio & computer maintenance	800	800		800
Street repair	37,000	37,000	19,472	17,528
Forestry	4,000	4,000	3,074	926
Alley maintenance	1,000	1,000	2,482	(1,482)
Sidewalk maintenance	7,000	7,000	766	6,234
Pest and weed abatement	42,000	42,000	32,549	9,451
Snow removal	12,500	12,500	5,194	7,306
Christmas lights	3,000	3,000	578	2,422
Fuel and oil	25,000	25,000	24,545	455
Repairs & maintenance - auto	64,000	64,000	34,274	29,726
Total streets	834,395	834,395	763,299	71,096
Airport facilities				
Supplies	6,500	6,500		6,500
Electric	2,500	2,500	1,562	938
Building maintenance	2,000	2,000	964	1,036
Insurance	3,000	3,000	2,643	357
Improvements	12,000	12,000		12,000
Total airport facilities	26,000	26,000	5,169	20,831

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Cemetery				
Salaries	84,645	84,645	67,562	17,083
Employee benefits	30,530	30,530	28,622	1,908
Supplies	25,500	25,500	13,789	11,711
Medical	800	800	128	672
Telephone	2,200	2,200	2,486	(286)
Utilities	3,500	3,500	2,553	947
Travel and training	200	200	569	(369)
Advertising	600	600	146	454
Foundations and burial service	3,000	3,000	5,075	(2,075)
Fuel and oil	4,200	4,200	5,706	(1,506)
Repairs & maintenance - auto	4,500	4,500	6,257	(1,757)
Miscellaneous			1,111	(1,111)
Total cemetery	159,675	159,675	134,004	25,671
Total public works	1,020,070	1,020,070	902,472	117,598
Culture and recreation				
Recreation department				
Salaries	329,715	329,715	297,693	32,022
Employee benefits	75,135	75,135	72,450	2,685
Supplies	2,950	2,950	1,199	1,751
Telephone	2,000	2,000	3,752	(1,752)
Utilities	2,500	2,500	3,327	(827)
Dues	250	250		250
Travel and training	3,500	3,500	1,019	2,481
Advertising	1,500	1,500	1,218	282
Building & field maintenance	34,000	34,000	19,098	14,902
Copy/computer maintenance	8,500	8,500	5,066	3,434
Adult programs	5,025	5,025	1,187	3,838
Youth summer programs	32,650	32,650	18,588	14,062
Youth winter programs	20,200	20,200	7,635	12,565
Swimming pool programs	34,550	34,550	34,847	(297)
Special events programs	78,700	78,700	11,135	67,565
Fuel and oil	1,000	1,000		1,000
Repairs & maintenance - auto	1,250	1,250		1,250
Miscellaneous			477	(477)
Total recreation department	633,425	633,425	478,691	154,734

(continued)

CITY OF BRUSH, COLORADO
General Fund
Budgetary Comparison Schedule - Expenditures
For the Year Ended December 31, 2021

(continued)

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Parks				
Salaries	152,845	152,845	187,367	(34,522)
Employee benefits	54,065	54,065	73,184	(19,119)
Supplies	52,900	52,900	54,870	(1,970)
Medical	800	800	360	440
Telephone	1,000	1,000	1,744	(744)
Utilities	35,000	35,000	32,023	2,977
Dues	500	500		500
Travel and training	500	500	50	450
Advertising	950	950		950
Fuel and oil	4,000	4,000	5,395	(1,395)
Repairs & maintenance - auto	6,000	6,000	5,306	694
Total parks	308,560	308,560	360,299	(51,739)
Total culture and recreation	941,985	941,985	838,990	102,995
Capital outlay	425,000	425,000	388,823	36,177
Total expenditures	$ 5,269,230	$ 5,269,230	$ 4,804,187	$ 465,043

Combining Statements and Budgetary Comparison Schedules –
Nonmajor Governmental Funds

The City reports the following nonmajor governmental funds:

Special Revenue Funds – These funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

- Special Surplus and Deficiency Fund – This fund presently accounts for the emergency reserves required under the TABOR amendment.

- Conservation Trust Fund – This fund was established by the City to provide for an accounting of those funds received through the State of Colorado Lottery Fund Program. The State requires that these funds be expended in the areas of parks and recreation development.

- Police Forfeiture and Confiscation Fund – This fund is used to account for monies collected from the sale of evidence seized by the Police department.

- Capital Improvement Fund – This fund accounts for capital outlay acquisitions of the governmental fund types.

- Fire Equipment Improvement Fund – This fund accounts for the acquisition of fire equipment and building improvements.

- Joslin-Needham Fund – This fund is established to provide for separate accountability of monies contributed to the City by the Joslin-Needham Family Foundation earmarked for particular projects.

- Cemetery Perpetual Care Fund – This fund is established to accumulate funds for the perpetual care and maintenance of the City's cemetery grounds. Current Council resolutions also allow capital purchases in this fund.

CITY OF BRUSH, COLORADO
Nonmajor Governmental Funds
Combining Balance Sheet
December 31, 2021

	Special Revenue Funds			
	Special Surplus and Deficiency Fund	Conservation Trust Fund	Police Forfeiture and Confiscation Fund	Capital Improvement Fund
Assets				
Cash	$ 34,255	$ 102,782	$ 10,396	$ 59,953
Certificates of deposit	100,000			860,000
Investments				107,053
Accrued interest receivable	148			707
Property tax receivable				
Accounts receivable				1,372
Sales tax receivable				79,676
Due from other funds				
Total assets	$ 134,403	$ 102,782	$ 10,396	$ 1,108,761
Liabilities				
Due to other funds		$ 7,984		
Total liabilities	$ -	7,984	$ -	$ -
Deferred inflows of resources				
Deferred property tax revenues				
Total deferred inflows of resources	-	-	-	-
Fund balance				
Restricted	134,403	94,798	10,396	1,108,761
Committed				
Total fund balance	134,403	94,798	10,396	1,108,761
Total liabilities, deferred inflows of resources and fund balance	$ 134,403	$ 102,782	$ 10,396	$ 1,108,761

Special Revenue Funds			
Fire Equipment Improvement Fund	Joslin Needham Fund	Cemetery Perpetual Care Fund	Total
$ 446,456	$ 86,941	$ 64,327	$ 805,110
650,000			1,610,000
			107,053
850			1,705
67,065			67,065
3		1,080	2,455
53,118			132,794
	7,984		7,984
$ 1,217,492	$ 94,925	$ 65,407	$ 2,734,166
			$ 7,984
$ -	$ -	$ -	7,984
63,322			63,322
63,322	-	-	63,322
1,154,170			2,502,528
	94,925	65,407	160,332
1,154,170	94,925	65,407	2,662,860
$ 1,217,492	$ 94,925	$ 65,407	$ 2,734,166

CITY OF BRUSH, COLORADO
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended December 31, 2021

	Special Revenue Funds			
	Special Surplus and Deficiency Fund	Conservation Trust Fund	Police Forfeiture and Confiscation Fund	Capital Improvement Fund
Revenues				
Taxes				$ 504,728
Intergovernmental revenue		$ 66,035		
Charges for services				
Miscellaneous	$ 914	71	$ 4,003	7,538
Total revenues	914	66,106	4,003	512,266
Expenditures				
Public safety			899	
Public works				300
Culture and recreation		13,428		
Capital outlay		89,455		537,099
Total expenditures	-	102,883	899	537,399
Excess of revenues over (under) expenditures	914	(36,777)	3,104	(25,133)
Other financing uses				
Transfers out				
Net change in fund balances	914	(36,777)	3,104	(25,133)
Fund balance at beginning of year	133,489	131,575	7,292	1,133,894
Fund balance at end of year	$ 134,403	$ 94,798	$ 10,396	$ 1,108,761

Special Revenue Funds			
Fire Equipment Improvement Fund	Joslin Needham Fund	Cemetery Perpetual Care Fund	Total
$ 389,197			$ 893,925
		$ 17,470	83,505
142,796			142,796
68,026	$ 180,188	790	261,530
600,019	180,188	18,260	1,381,756
4,622			5,521
		2,800	3,100
	15,004		28,432
285,591	82,534		994,679
290,213	97,538	2,800	1,031,732
309,806	82,650	15,460	350,024
		(40)	(40)
309,806	82,650	15,420	349,984
844,364	12,275	49,987	2,312,876
$ 1,154,170	$ 94,925	$ 65,407	$ 2,662,860

CITY OF BRUSH, COLORADO
Special Surplus and Deficiency Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2021

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Revenues				
Interest on investments	$ 500	$ 500	$ 914	$ 414
Expenditures				-
Net change in fund balance	$ 500	$ 500	914	$ 414
Fund balance at beginning of year			133,489	
Fund balance at end of year			$ 134,403	

CITY OF BRUSH, COLORADO
Conservation Trust Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2021

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Revenues				
Colorado lottery funds	$ 55,000	$ 55,000	$ 66,035	$ 11,035
Interest on investments	50	50	71	21
Total revenues	55,050	55,050	66,106	11,056
Expenditures				
Culture and recreation				
Capital outlay - improvements	104,000	104,000	102,883	1,117
Total expenditures	104,000	104,000	102,883	1,117
Net change in fund balance	$ (48,950)	$ (48,950)	(36,777)	$ 12,173
Fund balance at beginning of year			131,575	
Fund balance at end of year			$ 94,798	

CITY OF BRUSH, COLORADO
Police Forfeiture Confiscation Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2021

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Revenues				
Forfeitures	$ 10	$ 10		$ (10)
Interest on investments			$ 3	3
Donations			4,000	4,000
Total revenues	10	10	4,003	3,993
Expenditures				
Public safety			899	(899)
Total expenditures	-	-	899	(899)
Net change in fund balance	$ 10	$ 10	3,104	$ 3,094
Fund balance at beginning of year			7,292	
Fund balance at end of year			$ 10,396	

CITY OF BRUSH, COLORADO
Capital Improvement Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2021

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Revenues				
Sales tax	$ 405,000	$ 405,000	$ 498,662	$ 93,662
Cigarette tax	5,000	5,000	6,066	1,066
Interest on investments	3,005	3,005	3,048	43
Sale of property			4,490	4,490
Total revenues	413,005	413,005	512,266	99,261
Expenditures				
Public works				
Street and drainage	728,750	728,750	537,399	191,351
Total expenditures	728,750	728,750	537,399	191,351
Net change in fund balance	$ (315,745)	$ (315,745)	(25,133)	$ 290,612
Fund balance at beginning of year			1,133,894	
Fund balance at end of year			$ 1,108,761	

CITY OF BRUSH, COLORADO
Fire Equipment Improvement Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2021

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Revenues				
Property tax	$ 56,350	$ 56,350	$ 56,797	$ 447
Sales tax	275,000	275,000	332,400	57,400
Equipment and building rental			1	1
Grant income	350,000	350,000	142,795	(207,205)
Joint venture	105,000	105,000	35,291	(69,709)
Lease purchase	30,580	30,580	30,578	(2)
Interest on investments	4,000	4,000	2,157	(1,843)
Total revenues	820,930	820,930	600,019	(220,911)
Expenditures				
Capital outlay				
Equipment	700,000	700,000	285,591	414,409
Building		185,000	4,622	180,378
Engineering	50,000	50,000		50,000
Total expenditures	750,000	935,000	290,213	644,787
Net change in fund balance	$ 70,930	$ (114,070)	309,806	$ 423,876
Fund balance at beginning of year			844,364	
Fund balance at end of year			$ 1,154,170	

CITY OF BRUSH, COLORADO
Joslin Needham Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2021

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Revenues				
Contributions		$ 192,500	$ 180,000	$ (12,500)
Interest on investments	$ 200	200	188	(12)
Total revenues	200	192,700	180,188	(12,512)
Expenditures				
Culture and recreation				
Capital outlay		192,500	97,538	94,962
Total expenditures	-	192,500	97,538	94,962
Net change in fund balance	$ 200	$ 200	82,650	$ 82,450
Fund balance at beginning of year			12,275	
Fund balance at end of year			$ 94,925	

CITY OF BRUSH, COLORADO
Cemetery Perpetual Care Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2021

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Revenues				
Perpetual care sales	$ 10,000	$ 10,000	$ 17,470	$ 7,470
Contributions	1,000	1,000	750	(250)
Interest on investments	1,500	1,500	40	(1,460)
Total revenues	12,500	12,500	18,260	5,760
Expenditures				
Public works				
Memorial	1,000	4,000	2,800	1,200
Total expenditures	1,000	4,000	2,800	1,200
Excess of revenues over (under) expenditures	11,500	8,500	15,460	6,960
Other financing uses				
Transfers out	(1,500)	(1,500)	(40)	1,460
Net change in fund balance	$ 10,000	$ 7,000	15,420	$ 8,420
Fund balance at beginning of year			49,987	
Fund balance at end of year			$ 65,407	

Budgetary Comparison Schedules – Proprietary Funds

The City reports the following major proprietary funds:

Enterprise Funds – These funds are used to account for operations that provide services that are financed primarily by user charges, or activities where periodic measurement of income is appropriate for capital maintenance, public policy, management control or other purposes.

- Water Fund – This fund was established to account for the operation of a City-owned and operated public water system.

- Waste Water Fund – This fund was established to account for the operation of a City-owned and operated public sewer system.

- Trash and Garbage Fund – This fund was established to provide for separate accountability of fees derived from the City-operated public trash system.

- Storm Water Fund –This fund was established to provide for separate accountability of fees derived for the use of street and storm sewer cleaning.

- Golf Course Fund – This fund was established to account for the operations of a City-owned and operated public golf course.

CITY OF BRUSH, COLORADO
Water Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2021

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Operating revenues				
Water services	$ 1,502,000	$ 1,502,000	$ 1,619,674	$ 117,674
Delinquent fees	30,000	30,000	22,317	(7,683)
Miscellaneous	1,000	1,000	16,918	15,918
Total operating revenues	1,533,000	1,533,000	1,658,909	125,909
Operating expenses				
Salaries	324,165	324,165	350,175	(26,010)
Employee benefits	151,210	151,210	130,913	20,297
Supplies	32,250	32,250	21,678	10,572
Professional services	438,770	438,770	332,897	105,873
Telephone	1,500	1,500	4,184	(2,684)
Lab fees	20,000	20,000	5,643	14,357
Medical	350	350	2,797	(2,447)
Utilities	60,000	60,000	66,131	(6,131)
Association dues	700	700	400	300
Travel and training	3,000	3,000	4,739	(1,739)
Computer and radio maintenance	11,000	11,000	10,642	358
Advertising	1,300	1,300	1,760	(460)
Building maintenance	5,000	5,000	5,631	(631)
Licenses and permits	40,000	40,000	39,862	138
Insurance - general	30,745	30,745	31,105	(360)
Well electricity	40,000	40,000	13,925	26,075
Water system maintenance and materials	65,000	65,000	81,582	(16,582)
Line maintenance	20,000	20,000		20,000
Fuel and oil	12,000	12,000	6,933	5,067
Repairs & maintenance - vehicle	5,000	5,000	2,640	2,360
Noncapital outlay			18,824	(18,824)
Capital outlay	402,300	402,300	281,394	120,906
Total operating expenses	1,664,290	1,664,290	1,413,855	250,435
Operating income (loss)	(131,290)	(131,290)	245,054	376,344

	Budgeted Amounts			Variance with Final Budget Favorable
	Original	Final	Actual	(Unfavorable)
Nonoperating revenues (expenses)				
Interest on investments	16,000	16,000	6,483	(9,517)
Plant investment fee	10,000	10,000	16,718	6,718
Water surcharge			29,460	29,460
Farm income	30,880	30,880	26,097	(4,783)
Rental income	6,800	6,800	400	(6,400)
DOW lease	1,440	1,440	1,440	-
Water rights	3,600	3,600	7,740	4,140
Easement	4,000	4,000	4,391	391
Convenience fee			6,766	6,766
Grant income			29,110	29,110
Farm expense			(685)	(685)
Water conservation	(100,000)	(100,000)		100,000
Total nonoperating revenues (expenses)	(27,280)	(27,280)	127,920	155,200
Net income (loss) before transfers and capital contributions	(158,570)	(158,570)	372,974	531,544
Transfers out	(24,995)	(24,995)	(24,995)	-
Capital contributions - tap fees	1,000	1,000	14,100	13,100
Change in net position	$ (182,565)	$ (182,565)	362,079	$ 544,644
Adjustments to GAAP Basis				
Add capital purchases			281,394	
Deduct depreciation			(213,667)	
Change in net position - GAAP Basis			429,806	
Net position at beginning of year			9,171,292	
Net position at end of year			$ 9,601,098	

CITY OF BRUSH, COLORADO
Trash and Garbage Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2021

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Operating revenues				
Trash services	$ 540,000	$ 540,000	$ 562,322	$ 22,322
Sale of cans	7,000	7,000	7,975	975
Miscellaneous	14,000	14,000	27,319	13,319
Total operating revenues	561,000	561,000	597,616	36,616
Operating expenses				
Salaries	153,484	153,484	170,567	(17,083)
Employee benefits	99,410	99,410	103,060	(3,650)
Supplies	13,000	13,000	7,931	5,069
Professional services	109,445	109,445	109,445	-
Medical	800	800	873	(73)
Telephone	200	200	1,124	(924)
Utilities	5,000	5,000	4,080	920
Travel and training	600	600	5	595
Computer and radio maintenance	4,200	4,200	4,268	(68)
Building maintenance	4,000	4,000	773	3,227
Advertising	1,000	1,000	493	507
Insurance - general	870	870	1,867	(997)
Purchase of trash containers	35,000	35,000	11,116	23,884
Landfill contract	120,000	120,000	109,526	10,474
Fuel and oil	25,000	25,000	20,297	4,703
Repairs & maintenance - vehicle	14,000	14,000	22,452	(8,452)
Noncapital outlay	59,000	59,000	24,875	34,125
Total operating expenses	645,009	645,009	592,752	52,257
Operating income (loss)	(84,009)	(84,009)	4,864	88,873
Nonoperating revenues				
Interest on investments	1,500	1,500	244	(1,256)
Total nonoperating revenues	1,500	1,500	244	(1,256)
Net income (loss) before transfers	(82,509)	(82,509)	5,108	87,617

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Transfers out	(11,835)	(11,835)	(11,835)	-
Change in net position	$ (94,344)	$ (94,344)	(6,727)	$ 87,617
Adjustments to GAAP Basis				
Deduct depreciation			(44,408)	
Change in net position - GAAP Basis			(51,135)	
Net position at beginning of year			504,441	
Net position at end of year			$ 453,306	

CITY OF BRUSH, COLORADO
Waste Water Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2021

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Operating revenues				
Sewer fees	$ 1,710,000	$ 1,710,000	$ 1,854,278	$ 144,278
Miscellaneous	1,000	1,000	2,985	1,985
Administrative fees	75	75		(75)
Total operating revenues	1,711,075	1,711,075	1,857,263	146,188
Operating expenses				
Salaries	152,185	152,185	155,928	(3,743)
Employee benefits	80,855	80,855	77,569	3,286
Supplies	36,000	36,000	28,240	7,760
Professional services	490,745	490,745	421,906	68,839
Medical	1,000	1,000	875	125
Telephone	3,500	3,500	2,497	1,003
Utilities	128,000	128,000	92,172	35,828
Association dues	1,500	1,500		1,500
Travel and training	7,000	7,000	3,424	3,576
Computer and radio maintenance	7,000	7,000	7,877	(877)
Advertising	500	500		500
Building maintenance	900	900	824	76
Insurance - general	62,895	62,895	61,941	954
Permits	20,890	20,890	19,963	927
Repairs and maintenance	65,000	65,000	32,406	32,594
Sanitary sewer cleaning	80,000	80,000	125,479	(45,479)
Manholes	20,000	20,000		20,000
Sewer lines	20,000	20,000	1,065	18,935
Line televising	45,000	45,000		45,000
Fuel and oil	9,000	9,000	5,270	3,730
Repairs & maintenance - vehicle	4,000	4,000	1,223	2,777
Noncapital outlay			15,235	(15,235)
Capital outlay	73,000	73,000	31,367	41,633
Total operating expenses	1,308,970	1,308,970	1,085,261	223,709
Operating income	402,105	402,105	772,002	369,897

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Nonoperating revenues (expenses)				
Interest on investments	10,000	10,000	5,425	(4,575)
Surcharge fees	25,000	25,000	6,955	(18,045)
Rental income	4,800	4,800	4,400	(400)
Farm income	16,970	16,970	27,887	10,917
DOW lease	3,360	3,360	3,360	-
Plant investment fees	294,000	294,000		(294,000)
Grant income				-
Farm expense	(9,000)	(9,000)	(8,061)	939
Principal paid on notes	(465,000)	(465,000)	(465,000)	-
Interest and fiscal charges	(160,195)	(160,195)	(124,733)	35,462
Total nonoperating revenues (expenses)	(280,065)	(280,065)	(549,767)	(269,702)
Net income before transfers and capital contributions	122,040	122,040	222,235	100,195
Transfers out	(36,410)	(36,410)	(36,410)	-
Capital contributions - tap fees	6,000	6,000	18,800	12,800
Change in net position	$ 91,630	$ 91,630	204,625	$ 112,995
Adjustments to GAAP Basis				
Add capital purchases			31,367	
Add principal paid on notes			465,000	
Add amortized premium			19,106	
Add change in accrued interest			19,489	
Deduct depreciation			(334,499)	
Change in net position - GAAP Basis			405,088	
Net position at beginning of year			7,974,770	
Net position at end of year			$ 8,379,858	

CITY OF BRUSH, COLORADO
Storm Water Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2021

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Operating revenues				
Service fees	$ 311,000	$ 311,000	$ 311,748	$ 748
Storm water assessment	3,000	3,000	3,159	159
Miscellaneous	100	100	585	485
Total operating revenues	314,100	314,100	315,492	1,392
Operating expenses				
Salaries	42,910	42,910	41,817	1,093
Employee benefits	20,335	20,335	20,851	(516)
Supplies	3,400	3,400	2,130	1,270
Professional services	103,840	103,840	40,794	63,046
Medical	100	100	165	(65)
Telephone	200	200	649	(449)
Travel and training	500	500	8	492
Computer and radio maintenance	3,000	3,000	4,198	(1,198)
Advertising	200	200		200
Insurance - general	11,810	11,810	11,806	4
Sewer cleaning	30,000	30,000	30,128	(128)
Line maintenance	5,000	5,000		5,000
Pond maintenance	5,000	5,000		5,000
Assessment maintenance	5,000	5,000		5,000
Curb and gutter maintenance	19,000	19,000	213	18,787
Fuel and oil	9,000	9,000	7,209	1,791
Repairs & maintenance - vehicle	12,000	12,000	11,756	244
Capital outlay	278,750	358,750	339,474	19,276
Total operating expenses	550,045	630,045	511,198	118,847
Operating income (loss)	(235,945)	(315,945)	(195,706)	120,239
Nonoperating revenues				
Interest on investments	4,000	4,000	1,127	(2,873)
Total nonoperating revenues	4,000	4,000	1,127	(2,873)
Net loss before transfers and capital contributions	(231,945)	(311,945)	(194,579)	117,366

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Transfers out	(4,220)	(4,220)	(4,220)	-
Capital contributions			50,554	50,554
Change in net position	$ (236,165)	$ (316,165)	(148,245)	$ 167,920
Adjustments to GAAP Basis				
Add capital purchases			339,474	
Deduct depreciation			(146,649)	
Change in net position - GAAP Basis			44,580	
Net position at beginning of year			3,009,537	
Net position at end of year			$ 3,054,117	

CITY OF BRUSH, COLORADO
Golf Course Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2021

	Budgeted Amounts			Variance with Final Budget Favorable (Unfavorable)
	Original	Final	Actual	
Operating revenues				
Membership dues	$ 60,000	$ 60,000	$ 62,379	$ 2,379
Cart rental fees	20,000	55,000	55,837	837
Cart storage	4,000	4,000	10,568	6,568
Trail and license	5,800	5,800	9,005	3,205
Golf course fees	34,000	99,000	77,353	(21,647)
Restaurant income	140,000	225,000	178,576	(46,424)
Bar income	100,000	145,000	140,613	(4,387)
Miscellaneous	500	500	21,425	20,925
Total operating revenues	364,300	594,300	555,756	(38,544)
Operating expenses				
Salaries	216,575	356,575	304,820	51,755
Employee benefits	39,815	39,815	50,799	(10,984)
Supplies	5,400	5,400	1,183	4,217
Ground maintenance	45,000	75,000	65,412	9,588
Professional services	8,500	8,500	20,476	(11,976)
Medical	2,000	2,000		2,000
Telephone	3,200	3,200	3,993	(793)
Utilities	31,500	31,500	33,371	(1,871)
Building maintenance	4,500	4,500	1,395	3,105
Travel and training	5,000	5,000	50	4,950
Computer maintenance	2,000	2,000	2,877	(877)
Advertising	4,500	4,500	464	4,036
Insurance - general	3,300	3,300	8,116	(4,816)
Licenses and permits	2,000	2,000	225	1,775
Cart repairs and rental	19,000	19,000	60	18,940
Restaurant	80,000	140,000	131,368	8,632
Bar	40,000	40,000	55,855	(15,855)
Fuel and oil	4,500	4,500	5,361	(861)
Repairs & maintenance - vehicle	7,000	7,000	8,419	(1,419)
Miscellaneous	2,000	2,000	7	1,993
Noncapital outlay			2,329	(2,329)
Capital outlay			104,507	(104,507)
Total operating expenses	525,790	755,790	801,087	(45,297)
Operating loss	(161,490)	(161,490)	(245,331)	(83,841)

	Budgeted Amounts			Variance with Final Budget Favorable
	Original	Final	Actual	(Unfavorable)
Nonoperating revenues (expenses)				
Tournament income	5,000	5,000	5,875	875
Golf lessons	500	500		(500)
Building and club rental	4,250	4,250	6,471	2,221
Merchandise sales	10,000	10,000	14,846	4,846
Handicap income	3,500	3,500	4,635	1,135
League fees	4,600	4,600	1,543	(3,057)
Interest on investments	50	50	48	(2)
Lease proceeds			104,507	104,507
Merchandise	(12,000)	(12,000)	(19,027)	(7,027)
Handicap dues	(4,000)	(4,000)	(3,820)	180
Principal paid on lease	(49,738)	(49,738)	(70,403)	(20,665)
Interest and fiscal charges	(24,177)	(24,177)	(26,341)	(2,164)
Total nonoperating revenues (expenses)	(62,015)	(62,015)	18,334	80,349
Net loss before transfers and capital contributions	(223,505)	(223,505)	(226,997)	(3,492)
Transfers in	173,915	173,915	173,915	-
Capital contributions			132,482	132,482
Change in net position	$ (49,590)	$ (49,590)	79,400	$ (3,492)
Adjustments to GAAP Basis				
Add capital outlay			104,507	
Add principal paid on leases			70,403	
Add change in accrued interest			352	
Deduct lease proceeds			(104,507)	
Deduct depreciation			(129,487)	
Change in net position - GAAP Basis			20,668	
Net position at beginning of year			1,243,351	
Net position at end of year			$ 1,264,019	

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Colorado Department of Highways
Local Highway Finance Report

This calendar-year report of receipts and expenditures is required by the Colorado Department of Highways to maintain statewide accountability for moneys used for highway and street purposes. To ensure data accuracy, House Bill 1008 mandates that this report be included in the City's financial statements.

Form Approved
The public report burden for this information collection is estimated to average 380 hours annually. OMB No. 2125-0032

LOCAL HIGHWAY FINANCE REPORT	City or County: Brush YEAR ENDING : December 2021
This Information From The Records Of City of Brush:	Prepared By: Joanne Gosselink Phone: 970-842-5001

I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	228,719
3. Other local imposts (from page 2)	1,015,234
4. Miscellaneous local receipts (from page 2)	16,300
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	1,260,253
B. Private Contributions	
C. Receipts from State government (from page 2)	164,566
D. Receipts from Federal Government (from page 2)	0
E. Total receipts (A.7 + B + C + D)	1,424,819

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	308,649
2. Maintenance:	545,307
3. Road and street services:	
a. Traffic control operations	119,492
b. Snow and ice removal	5,194
c. Other	18,509
d. Total (a. through c.)	143,195
4. General administration & miscellaneous	
5. Highway law enforcement and safety	427,668
6. Total (1 through 5)	1,424,819
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
3. Total (1.c + 2.c)	0
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total disbursements (A.6 + B.3 + C + D)	1,424,819

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)				0
1. Bonds (Refunding Portion)				
B. Notes (Total)				0

V. LOCAL ROAD AND STREET FUND BALANCE

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	1,424,819	1,424,819		0

Notes and Comments:

FORM FHWA-536 (Rev.06/2000) PREVIOUS EDITIONS OBSOLETE Excel (Next Page)

LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado
	YEAR ENDING (mm/yy): December 2021

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		**A.4. Miscellaneous local receipts:**	
a. Property Taxes and Assessments	152,247	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalities	16,300
1. Sales Taxes	765,391	c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	97,596	g. Other Misc. Receipts	
6. Total (1. through 5.)	862,987	h. Other	
c. Total (a. + b.)	1,015,234	i. Total (a. through h.)	16,300
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		**D. Receipts from Federal Government**	
1. Highway-user taxes	164,566	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations		d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	0	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	164,566	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation		308,649	308,649
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	0	308,649	308,649
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	308,649	308,649
			(Carry forward to page 1)

Notes and Comments:

FORM FHWA-536